Federal Court



Cour fédérale

Date: 20180926

Docket: T-81-18

Citation: 2018 FC 941

Ottawa, Ontario, September 26 2018

PRESENT: The Honourable Mr. Justice Mosley

BETWEEN:

CWI, INC.

Applicant

and

THOMPSON DORFMAN SWEATMAN LLP and THE REGISTRAR OF TRADE-MARKS

Respondents

JUDGMENT AND REASONS

I. <u>Introduction</u>

[1] The Applicant appeals under section 56 of the *Trade-marks Act*, RSC, 1985 c T-13, as amended (the Act), a decision of the Trade-marks Registrar (the Registrar) dated November 15, 2017. This decision expunged Canadian Trade-Mark Registration No. TMA 245,252 for the trade-mark CAMPING WORLD & Design.

[2] For the reasons that follow, the appeal is dismissed.

II. Background

[3] The Trade-mark was filed on May 23, 1980. As registered, it is:



- [4] At the Respondent's request, on August 31, 2015, the Registrar issued a notice under section 45 of the Act to the Applicant, the registered owner of the Trade-mark. The notice requested the Applicant furnish evidence establishing it used the Trade-mark in Canada in association with the registered services at any time during the three years immediately preceding the date of the notice, namely, between August 31, 2012 and August 31, 2015 (the Relevant Period).
- [5] The Trade-mark is registered for use in association with: "Installation, repair and maintenance of camping equipment and recreational vehicles" and "retail store services and retail mail order services in the field of camping equipment and supplies and recreational vehicles and supplies".
- [6] In response to the notice, the Applicant filed the affidavit of Tamara Ward, its Chief Marketing Officer, sworn on March 30, 2016 (the Ward Affidavit) and Exhibits A to E in

support thereof. Both the Applicant and Respondent filed written arguments. On October 23, 2017, both parties submitted oral arguments at a hearing.

- [7] The evidence before the Registrar consisted solely of the Ward Affidavit. Ms. Ward states although the trade-mark has evolved over time, it does not differ substantially from the registered trade-mark. Specifically, the trade-mark has always maintained its distinctive feature and its pronunciation, namely CAMPING WORLD. Ms. Ward states all variations of the mark point to the Applicant and the Applicant's customers would consider it to be one and the same.
- [8] Ms. Ward further states the Applicant operates a Canadian website to advertise and provide its retail, installation, repair, and maintenance services directly to Canadian consumers. Canadians may also make purchases via the Applicant's Canadian website located at www.campingworld.ca. In addition, the Applicant distributes catalogs to consumers in Canada, which list for sale a range of products including recreational vehicles, parts and accessories, camping equipment, and related goods and services.
- [9] Website printouts and catalog copies displaying the variations of the trade-mark used during the Relevant Period were attached as exhibits to Ms. Ward's affidavit. Consumers in Canada can order products by mail or telephone. They can place an order by filling out an order form provided in the catalogs, or, by calling a 1-800 telephone number. The goods then ship to Canada. A sample order form was attached as an exhibit, as were documents described as representative invoices from customers in Canada. Ms. Ward states Canadians can mail

previously purchased camping equipment and supplies to the Applicant for repair and maintenance services.

- [10] In the November 15, 2017 decision, the Registrar held the evidence demonstrated advertising and performance of the registered services of "retail store services and retail mail order services in the field of camping equipment and supplies and recreational vehicles and supplies" in Canada during the Relevant Period. The Registrar noted that Canadians could mail or otherwise forward products to the Applicant to have such products repaired in the United States. The repaired or refurbished products would then be returned to the Canadian consumer. The Registrar expressed doubt the Applicant performed the registered "installation, repair and maintenance" services in Canada absent facilities in Canada.
- [11] The Registrar held the determinative issue was whether the CAMPING WORLD Trade-Mark used by the Applicant constituted display of the Mark as registered. The Registrar found the dominant feature of the registered Mark is not simply the words CAMPING WORLD but includes the particular globe design replacing the letter "O". The Registrar held the Applicant was attempting to change its registration for a design mark to a registration for a word mark. The evidence showed the Applicant did not use the distinctive globe design at all during the Relevant Period; nor did it appear to have any plans to use this design.
- [12] In view of these findings, the Registrar was not satisfied the Applicant had demonstrated use of the Mark as registered in association with the registered services within the meaning of

sections 4 and 45 of the Act. Furthermore, the Registrar found there was no evidence of special circumstances excusing such non-use.

[13] On appeal to this Court, no new material evidence was introduced.

III. Relevant Legislation

[14] The Act sections 4, 45, and 56 read as follows:

When deemed to be used

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.

Idem

(2) A trade-mark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.

Quand une marque de commerce est réputée employée

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.

Idem

(2) Une marque de commerce est réputée employée en liaison avec des services si elle est employée ou montrée dans l'exécution ou l'annonce de ces services.

Use by export

(3) A trade-mark 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.

Registrar may request evidence of user

45 (1) The Registrar may at any time and, at the written request made after three years from the date of the registration of a trade-mark by any person who pays the prescribed fee shall, unless the Registrar sees good reason to the contrary, give notice to the registered owner of the trademark requiring the registered owner to furnish within three months an affidavit or a statutory declaration showing, with respect to each of the goods or services specified in the registration, whether the trade-mark was in use in Canada at any time during the three year period immediately preceding the date of the notice and, if not, the date when it was last so in use and the reason for the absence of such use since that date.

Form of evidence

(2) The Registrar shall not receive any evidence other than the affidavit or statutory

Emploi pour exportation

(3) Une marque de commerce mise au Canada sur des produits ou sur les emballages qui les contiennent est réputée, quand ces produits sont exportés du Canada, être employée dans ce pays en liaison avec ces produits.

Le registraire peut exiger une preuve d'emploi

45 (1) Le registraire peut, et doit sur demande écrite présentée après trois années à compter de la date de l'enregistrement d'une marque de commerce, par une personne qui verse les droits prescrits, à moins qu'il ne voie une raison valable à l'effet contraire, donner au propriétaire inscrit un avis lui enjoignant de fournir, dans les trois mois, un affidavit ou une déclaration solennelle indiquant, à l'égard de chacun des produits ou de chacun des services que spécifie l'enregistrement, si la marque de commerce a été employée au Canada à un moment quelconque au cours des trois ans précédant la date de l'avis et, dans la négative, la date où elle a été ainsi employée en dernier lieu et la raison de son défaut d'emploi depuis cette date.

Forme de la preuve

(2) Le registraire ne peut recevoir aucune preuve autre que cet affidavit ou cette

declaration, but may hear representations made by or on behalf of the registered owner of the trade-mark or by or on behalf of the person at whose request the notice was given. déclaration solennelle, mais il peut entendre des représentations faites par le propriétaire inscrit de la marque de commerce ou pour celui-ci ou par la personne à la demande de qui l'avis a été donné ou pour celle-ci.

Effect of non-use

(3) Where, by reason of the evidence furnished to the Registrar or the failure to furnish any evidence, it appears to the Registrar that a trade-mark, either with respect to all of the goods or services specified in the registration or with respect to any of those goods or services, was not used in Canada at any time during the three year period immediately preceding the date of the notice and that the absence of use has not been due to special circumstances that excuse the absence of use, the registration of the trademark is liable to be expunged or amended accordingly.

Notice to owner

(4) When the Registrar reaches a decision whether or not the registration of a trade-mark ought to be expunged or amended, he shall give notice of his decision with the reasons therefor to the registered owner of the trade-mark and to the person at whose request the notice referred to in subsection (1) was given.

Effet du non-usage

(3) Lorsqu'il apparaît au registraire, en raison de la preuve qui lui est fournie ou du défaut de fournir une telle preuve, que la marque de commerce, soit à l'égard de la totalité des produits ou services spécifiés dans l'enregistrement, soit à l'égard de l'un de ces produits ou de l'un de ces services, n'a été employée au Canada à aucun moment au cours des trois ans précédant la date de l'avis et que le défaut d'emploi n'a pas été attribuable à des circonstances spéciales qui le justifient, l'enregistrement de cette marque de commerce est susceptible de radiation ou de modification en conséquence.

Avis au propriétaire

(4) Lorsque le registraire décide ou non de radier ou de modifier l'enregistrement de la marque de commerce, il notifie sa décision, avec les motifs pertinents, au propriétaire inscrit de la marque de commerce et à la personne à la demande de qui l'avis visé au paragraphe (1) a été donné.

Action by Registrar

(5) The Registrar shall act in accordance with his decision if no appeal therefrom is taken within the time limited by this Act or, if an appeal is taken, shall act in accordance with the final judgment given in the appeal.

Appeal

56 (1) An appeal lies to the Federal Court from any decision of the Registrar under this Act within two months from the date on which notice of the decision was dispatched by the Registrar or within such further time as the Court may allow, either before or after the expiration of the two months.

Procedure

(2) An appeal under subsection (1) shall be made by way of notice of appeal filed with the Registrar and in the Federal Court.

Notice to owner

(3) The appellant shall, within the time limited or allowed by subsection (1), send a copy of the notice by registered mail to the registered owner of any trade-mark that has been referred to by the Registrar in the decision complained of and to every other person who was entitled to notice of the decision.

Mesures à prendre par le registraire

(5) Le registraire agit en conformité avec sa décision si aucun appel n'en est interjeté dans le délai prévu par la présente loi ou, si un appel est interjeté, il agit en conformité avec le jugement définitif rendu dans cet appel.

Appel

56 (1) Appel de toute décision rendue par le registraire, sous le régime de la présente loi, peut être interjeté à la Cour fédérale dans les deux mois qui suivent la date où le registraire a expédié l'avis de la décision ou dans tel délai supplémentaire accordé par le tribunal, soit avant, soit après l'expiration des deux mois.

Procédure

(2) L'appel est interjeté au moyen d'un avis d'appel produit au bureau du registraire et à la Cour fédérale.

Avis au propriétaire

(3) L'appelant envoie, dans le délai établi ou accordé par le paragraphe (1), par courrier recommandé, une copie de l'avis au propriétaire inscrit de toute marque de commerce que le registraire a mentionnée dans la décision sur laquelle porte la plainte et à toute autre personne qui avait droit à un avis de cette décision.

Public notice

(4) The Federal Court may direct that public notice of the hearing of an appeal under subsection (1) and of the matters at issue therein be given in such manner as it deems proper.

Additional evidence

(5) On an appeal under subsection (1), evidence in addition to that adduced before the Registrar may be adduced and the Federal Court may exercise any discretion vested in the Registrar.

Avis public

(4) Le tribunal peut ordonner qu'un avis public de l'audition de l'appel et des matières en litige dans cet appel soit donné de la manière qu'il juge opportune.

Preuve additionnelle

(5) Lors de l'appel, il peut être apporté une preuve en plus de celle qui a été fournie devant le registraire, et le tribunal peut exercer toute discrétion dont le registraire est investi.

IV. <u>ISSUES</u>

- [15] The parties raise the following issues:
 - a) What is the appropriate Standard of Review?
 - b) Did the Registrar err in ordering the Trade-mark expunged?

V. <u>ANALYSIS</u>

- A. Standard of Review
- [16] As the parties did not file additional evidence with this Court, the generally accepted standard of review on an appeal from a decision of the Registrar is reasonableness, whether the issue is one of fact or mixed fact and law: *Vêtement Multi-Wear Inc v Riches, McKenzie &*

Hebert LLP, 2008 FC 1237, 73 CPR (4th) 3. The question is whether the Registrar's decision is supported by reasons that can withstand "a somewhat probing" examination and is not "clearly wrong": Mattel Inc v 3894207 Canada Inc, 2006 SCC 22 at para 40, [2006] 1 SCR 772. The decision is entitled to considerable deference: Ridout & Maybee LLP v HJ Heinz Company Australia Ltd, 2014 FC 442 at para 28, 122 CPR (4th) 208. In order for the court to intervene, it must conclude that no reasonable interpretation can lead to that of the decision-maker: ibid.

- [17] The Applicant submits the standard of review on the issue of deviation ought to be correctness as the Registrar failed to apply a mandatory element of the legal test. The Applicant argues the Registrar failed to consider all manners of use of the Applicant's mark or marks as not differing substantially from the mark as registered. The Applicant submits this should be characterized as an error of law subject to the correctness standard.
- [18] In the alternative, the Applicant submits the alleged error would make the decision unreasonable: *Canadian Council of Professional Engineers v REM Chemicals Inc*, 2014 FC 644 at paras 22–23, 27, 58, 125 CPR (4th) 245.
- [19] As I will discuss below, I do not find that the Registrar erred in applying the test for deviation. Applying either standard of review, I would uphold the Registrar's decision.
 - B. Did the Registrar err in ordering the Trade-mark Expunged?
- [20] The purpose of section 45 of the Act is to provide a simple, summary, and expeditious procedure for removing marks that have fallen into disuse from the Register. This has been

described as the procedure for removing "deadwood" from the Register: *Phillip Morris Inc v Imperial Tobacco et al* (1987), 13 CPR 3d 289 at 293, 8 FTR 310 (FCTD).

- [21] In response to a section 45 notice from the Trade-marks Office, a registered owner must provide evidence showing each of the following conditions were present:
 - a) The trade-mark was in use in Canada;
 - b) In association with the goods and/or services covered in the registration;
 - c) At any time during the three year period immediately preceding the date of the notice.
- [22] According to section 4 (2) of the Act, a trade-mark is deemed to be used in association with services if it is used or displayed in performing or advertising those services. The Registrar should be satisfied by a relatively low threshold of use and need only consider whether the registrant has provided some evidence of use of its trade-mark during the Relevant Period: *Gesco Industries Inc v Sim & McBurney et al* (1997), 76 CPR (3d) 289 at 294, 138 FTR 130 (FCTD).
- [23] As the Registrar stated, mere assertions of use, such as those in Ms. Ward's affidavit, are not sufficient. The registered owner must provide factual evidence to permit the Registrar to conclude the mark was used in association with each of the services specified in the registration during the Relevant Period. This must be evidence not only stating but showing the use being made of the trade mark: *Aerosol Fillers Inc v Plough (Canada) Ltd* (1980), 53 CPR (2d) 62 at 66, [1981] 1 FC 679 (FCAD).

- [24] One of the questions before the Registrar was whether the owner of the mark advertised and was able to perform the registered services in Canada during the Relevant Period. The Registrar held the evidence demonstrated advertising and performance of the registered services of "retail store services and retail mail-order services in the field of camping equipment and supplies and recreational vehicles and supplies" in Canada during the Relevant Period. The Registrar's finding in this regard is in keeping with jurisprudence holding that, in the absence of brick-and-mortar stores in Canada, whether "retail store services" are performed in Canada depends on whether a company makes deliveries in Canada (see for example: *Dollar General Corporation v 2900319 Canada Inc*, 2018 FC 778 at para 21). There was evidence to that effect although I note that Exhibit "D", a catalogue order form, indicates that standard delivery is limited to the 48 contiguous States. While a 1-800 number is provided for placing orders, international customers are directed to call a non-1-800 number for availability and delivery charges.
- [25] The Registrar stated that it was unclear how the registered "installation, repair and maintenance" services could be performed in Canada in the absence of facilities in Canada. The exhibits did not clearly demonstrate repairs were available in Canada. A Canadian, for example, who sought to have his or her recreational vehicle repaired would have to take it to a U.S. location for such services to be performed or have the necessary parts shipped north and do the work themselves or have it done by someone else in this country.
- [26] The determinative issue was whether the registered services were offered or performed in association with the mark as registered. There was no evidence of this during the Relevant

Period. At best, the Applicant offered evidence of variations that featured the use of the words "Camping World" either alone or with a mountain design. These, the Applicant argued, were simply acceptable deviations from the mark which did not detract from its identity.

[27] The Registrar cited the test for deviation in paragraphs 27 to 29 of the decision:

The test for deviation, as articulated by the Federal Court of Appeal, is as follows:

The practical test to be applied in order to resolve a case of this nature is to compare the trade mark as it is registered with the trade mark as it is used and determine whether the differences between these two 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. [Canada (Registrar of Trade-Marks) v Compagnie International pour l'informatique CII Honeywell Bull (1985), 4 CPR (3d) 523 (FCA) at 525]

As the Court of Appeal noted, "That question must be answered in the negative unless the mark was used in such a way that the mark did not lose its identity and remained recognizable in spite of the differences between the form in which it was registered and the form in which it was used." [at 525]

In deciding this issue, one must look to see if the "dominant features" of the trade-mark have been preserved [*Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)]. The assessment as to which elements are the dominant features and whether the deviation is minor enough permit a finding of use of the trade-mark as registered is a question of fact to be determined on a case-by-case basis.

[28] The Registrar concluded the dominant feature of the registered trade-mark is not simply the words CAMPING WORLD but includes the particular globe design replacing the letter "O" in WORLD. This conclusion was, in my view, reasonable. The element CAMPING in the mark

describes the services and as such would not be a dominant feature of the mark. The replacement of the letter "O" with a globe, clearly a play on the word "world", is the most dominant and unique part of the design mark.

- [29] There was no evidence the Applicant used this distinctive globe design at all during the Relevant Period. As such, it was open for the Registrar to find there was no evidence of use of the mark as registered in association with the registered services within the meaning of sections 4 and 45 of the Act.
- [30] The Registrar's application of the test for deviation was, in my view, also reasonable. If necessary, applying the standard of review urged by the Applicant, I would find it correct in law.
- [31] The onus, albeit low, was on the mark's owner to show use. The Applicant was the only party permitted to file evidence and that evidence could not be tested on cross-examination. It was incumbent on the Applicant to file clear evidence of use and it was reasonable for the Registrar to find the evidence was insufficient.
- [32] The evidence submitted showed a substantial deviation from the registered design. Since this was a design mark, the visual essence was critical to the Registrar's analysis on deviation.

 As the Registrar noted, the Applicant appeared to be trying to convert a design mark into a word mark. The exhibits attached to Ms. Ward's affidavit demonstrated substantial deviations from the design elements of the mark as registered.

- [33] The use of additional design material, such as the mountains that appear in some of the exhibits, would not constitute a deviation if the trade-mark actually used was not substantially different and preserved the dominant feature the globe design replacing the letter "O". The modified mark as it appears in the several different forms in the exhibits retained nothing from the registered design except for the words CAMPING WORLD. In most instances those words appear in line, not stacked. In the one instance in which they are stacked, they appear with the mountain design but not the globe design. It is not clear that they represent the same brand as the registered mark. The differences are such that they could confuse or deceive an unaware purchaser.
- [34] The Applicant relied on this Court's decision in *Alibi Roadhouse Inc v Grandma Lee's International Holdings Ltd* (1997), 76 CPR (3d) 327, 136 FTR 66 (FC), to support their assertion the modified mark is not substantially different. In *Alibi*, however, Justice Teitelbaum found the design features at issue were not dominant features of the mark (*Alibi*, *supra* at 340). In the case at bar, the hearing officer found the stylized globe *was* a dominant feature of the CAMPING WORLD mark. As discussed above, this decision was reasonable. As such, *Alibi* cannot help the Applicant in this regard.
- [35] The applicant also relied on a series of Trade-mark Opposition Board Cases for the same point. Two of these cases included marks registered without design elements but deemed used with the design element: *Gowling Lafleur Henderson LLP v Yardley*, 2015 TMOB 171; *General Hydroponics Inc v Coop fédérée*, 2009 CanLII 82136 (TMOB). There is a difference, however, between adding a design feature and removing a design feature.

[36] On this point, I agree with the Respondent: the case at bar is similar to *Osler, Hoskin & Harcourt v Sears Canada Inc* (2001), 11 CPR (4th) 272 (TMOB). In *Sears*, the Trade-mark Opposition Board expunged a SHOPPER STOPPERS trade-mark because the mark was registered with an octagon-shaped "O" in STOPPERS but used without this distinctive feature. Using a mark without a dominant feature does not constitute use of the mark.

VI. Conclusion

[37] I am satisfied that on the basis of the evidence, the Registrar's decision to expunge the trade-mark was reasonable. I do not accept that the Registrar erred in law in failing to find the Applicant's marks did not differ substantially from the mark as registered. Accordingly, the Registrar's decision is upheld and the appeal is dismissed with costs.

JUDGMENT IN T-81-18

THIS COURT'S JUDGMENT is that:

- The appeal from the decision of Andrew Bene, Hearing Officer, Trade-marks
 Opposition Board, for the Registrar of Trade-marks, rendered on November
 15, 2017, expunging Canadian Trade-mark Registration No. TMA245.252 for
 CAMPING WORLD & DESIGN, is dismissed;
- 2. Costs are awarded to the Respondent in accordance with the Tariff.

"Richard G. Mosley"	
Judge	

FEDERAL COURT

SOLICITORS OF RECORD

DOCKET: T-81-18

STYLE OF CAUSE: CWI, INC. V THOMPSON DORFMAN SWEATMAN

LLT and THE REGISTRAR OF TRADE-MARKS

PLACE OF HEARING: OTTAWA, ONTARIO

DATE OF HEARING: JULY 10, 2018

JUDGMENT AND REASONS: MOSLEY, J.

DATED: SEPTEMBER 26, 2018

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