

Federal Court



Cour fédérale

Date: 20241219

Docket: T-1411-24

Citation: 2024 FC 2075

Ottawa, Ontario, December 19, 2024

PRESENT: The Honourable Justice Fuhrer

BETWEEN:

**Kazar Group Spółka z ograniczona
odpowiedzialnoscia**

Applicant

and

BCF S.E.N.C.R.L./BCF LLP

Respondent

JUDGMENT AND REASONS

**(Delivered from the Bench at Ottawa, Ontario on December 19, 2024 and edited for syntax,
grammar, case citations and relevant provisions)**

I. Overview

[1] Further to summary cancellation proceedings under section 45 of the *Trademarks Act*, RSC 1985, c T-13 [*TMA*], the Trademarks Opposition Board [TMOB] ordered the expungement of the Kazar Group's registration No. TMA1,021,184 for KAZAR for lack of evidence

“showing” the trademark as used in Canada in the relevant three-year period, May 11, 2019 to May 11, 2022: *BCF SENCRL/BCF LLP v Kazar Group Spółka z ograniczona odpowiedzialnoscia*, 2024 TMOB 51.

[2] Kazar Group appeals the TMOB decision under section 56 of the *TMA*. BCF neither objects nor consents to the appeal. No one from BCF was present at the hearing.

[3] Having considered the application record, including Kazar Group’s new evidence, and heard Kazar Group’s oral submissions, I allow the appeal but only in respect of the goods “footwear namely men’s shoes.” In other words, the decision will be set aside and the registration will be maintained but only in respect of these goods. The registration will be amended to delete all other goods.

[4] In the following reasons, I will address two issues: first, the materiality of Kazar Group’s new evidence before the Court; and two, whether Kazar Group has shown use of its trademark KAZAR in Canada during the applicable three-year period.

II. Materiality of Kazar Group’s new evidence

[5] I am satisfied that Kazar Group’s evidence on this appeal is material, in that it is sufficiently substantial, significant and probative that it would have had a material effect on the TMOB decision: *Centric Brands Holding LLC v Stikeman Elliott LLP*, 2024 FC 204 [*Centric*] at para 24.

[6] Before the TMOB and before this Court, Kazar Group filed an affidavit of Grzegorz Filipek, the first one sworn on December 9, 2022 [First Filipek Affidavit] and the second one sworn on July 22, 2024 [Second Filipek Affidavit].

[7] Despite the caution against it in the jurisprudence, there is some repetition of the First Filipek Affidavit in the Second Filipek Affidavit, such as a recitation of the goods in registration No. TMA1,021,184, a list of “sales points” (i.e. the places where the goods are offered for sale, including Kazar Group’s online shop), and a description of Kazar Group’s normal course of trade. See for example *Scott Paper Limited v Georgia-Pacific Consumer Products LP*, 2010 FC 478 at para 49, citing *Vivat Holdings Ltd v Levi Strauss & Co*, 2005 FC 707 at para 27.

[8] That said, I find that the Second Filipek Affidavit addresses gaps in the evidence identified in the TMOB decision (2024 TMOB 51 at paras 18 and 22), by providing excerpts or printouts of webpages, the links for which were provided in the First Filipek Affidavit, and photographs of men’s shoes with the trademark KAZAR imprinted on the insole, the shoe bottom, and on the shoe box: *Centric*, above at para 25, citing *IPack BV v McInnes Cooper*, 2023 FC 243 at para 9. In my view, having regard to the TMOB decision, these pieces of evidence would have been material considerations for the Hearing Officer.

[9] According to subsection 56(5) of the *TMA*, my finding of materiality permits the Court to exercise any discretion the Registrar has, meaning the appeal is a *de novo* review calling for the correctness standard: *Clorox Company of Canada, Ltd v Chloretec SEC*, 2020 FCA 76 at para 21. Bearing this review standard in mind, I turn next to a consideration of the second issue.

III. Kazar Group has shown use of its trademark KAZAR in Canada

[10] I find that the First Filipek Affidavit and the Second Filipek Affidavit, when read together, show the trademark KAZAR as used in Canada during the relevant period of May 11, 2019 to May 11, 2022, but only in respect of footwear namely men's shoes.

[11] In respect of section 45 cancellation proceedings, the jurisprudence teaches that evidentiary overkill is not required: *Union Electric Supply Co Ltd v Registrar of Trade Marks*, 1982 CanLII 5195 (FC). Evidence of a single sale may be sufficient, depending on the circumstances, to establish use of the trademark in the normal course of trade; the owner need only establish a *prima facie* case of use: *1459243 Ontario Inc v Eva Gabor International, Ltd*, 2011 FC 18 at para 5. Nonetheless, there must be sufficient facts in evidence from which the Registrar can conclude, or draw a reasonably probable inference, that the trademark has been used during the relevant three-year period for each good (or service) specified in the registration: *John Labatt Ltd v Rainier Brewing Co*, 1984 CarswellNat 570 at para 12, 80 CPR (2d) 228 (FCA); *Sim & McBurney v en Vogue Sculptured Nail Systems Inc*, 2021 FC 172 at paras 14-15.

[12] I also refer to subsection 4(1) of the *TMA* which defines "use" of a trademark in Canada in respect of goods. In particular, there must be a transfer of the property in or possession of the goods in the normal course of trade with the trademark marked on the goods themselves, their packaging or in some other manner associated with the goods such that notice of the association is given to the consumer at the time of transfer. I contrast this use with use of a trademark in connection with services pursuant to subsection 4(2) of the *TMA* which contemplates the display

of the mark in the performance of the services or the advertising of the services. We know from *Porter v Don the Beachcomber*, 1966 CanLII 972 (CA EXC) that performance and advertising must occur in Canada. Further advertising alone is insufficient; the services also must be performed.

[13] Turning to Kazar Group's evidence, the First Filipek Affidavit describes and has attached as an exhibit an invoice issued by Kazar Group for the sale and delivery to an individual having a Mississauga, Ontario address, of one pair of women's shoes with, according to Mr. Filipek, the trademark KAZAR imprinted on the insoles. The invoice is dated July 14, 2022, however, which falls outside the relevant three-year period. In my view, the Hearing Officer did not err in discounting this evidence (2024 TMOB 51 at para 21).

[14] The First Filipek Affidavit also describes and has attached as an exhibit an invoice dated February 28, 2022 (which falls in the relevant three-year period) issued by Kazar Group for the sale and delivery, to an individual having a Mississauga, Ontario address, of one pair of "Men's shoes 68646-01-00/CZARNY" with, according to Mr. Filipek, the trademark KAZAR imprinted on the insoles.

[15] Regarding this evidence, the Hearing Officer noted that there was no photograph or other representative image of the goods, and that the only evidence concerning the display of the trademark KAZAR on men's shoes during the relevant period is Mr. Filipek's statement about the mark imprinted on the insoles. Further, citing jurisprudence to the effect that the trademark owner must do more than merely state but also show use of the mark, the Hearing Officer

concluded that without further evidence detailing how KAZAR was used on the insoles, it was not possible to determine whether such display was sufficient for the purposes of subsection 4(1) and section 45 of the *TMA* (2024 TMOB 51 at paras 22-24).

[16] I disagree with the Hearing Officer that *Plough* stands for the proposition that the requisite “showing” of trademark use must be made with photographs or other representative images. The decision in *Plough* on which the Hearing Officer relies states that , “[w]hat subsection 44(1) [now subsection 45(1)] requires is an affidavit or statutory declaration not merely stating but ‘showing’, that is to say, describing the use being made of the trade mark within the meaning of the definition of ‘trade mark’ in section 2 and of ‘use’ in section 4 of the Act”: *Plough (Canada) Ltd v Aerosol Fillers Inc*, 1980 CanLII 2739 (FCA), [1981] 1 FC 679 at para 10. In other words, a sworn statement describing the manner of use, as opposed to a bare statement that the trademark is in use, may be sufficient in itself, depending on the circumstances. It is not clear to me that that Hearing Officer turned her mind to this possibility.

[17] Regardless, the Second Filipek Affidavit addresses the Hearing Officer’s perceived gap in the evidence by providing, as mentioned, photographs of men’s shoes with the trademark KAZAR imprinted on the insole, on the shoe bottom, and on the shoe box. There also is a photograph of the inside of the shoe showing the number 68646-01-00 also shown on the February 28, 2022 invoice. I find that this evidence, coupled with the invoice of a single sale and delivery of men’s shoes in February 2022 to an individual in Canada, is sufficient to show use of the trademark KAZAR within the meaning of subsection 4(1) of the *TMA* during the relevant period. The trademark registration thus will be maintained for at least these goods.

[18] I am not convinced, however, that the evidence comprising webpage printouts for other goods showing the trademark KAZAR on them, without anything more, is sufficient to show use of the trademark in Canada within the meaning of subsection 4(1) of the *TMA*.

[19] In particular, the First Filipek Affidavit and the Second Filipek Affidavit describe in a general way Kazar Group's normal course of trade for online retail sales without evidencing that actual sales of specific goods occurred in this manner.

[20] Further, I disagree that the Hearing Officer's noting of the gap in evidence relating to omitted webpage printouts means that, with the provision of those printouts, in itself means that use of the trademark KAZAR would have been established. The Hearing Officer was clear in her analysis, and I agree, that "a mere assertion that goods were made available for purchase to Canadians is insufficient to demonstrate transfer of property in the normal course of trade" (2024 TMOB 51 at para 19). I refer in this regard to the plain meaning of subsection 4(1) of the *TMA*.

[21] In my view, Kazar Group's reliance on paragraph 10 of the *Torres* decision is misplaced (see *Torres v Barrette Legal Inc*, 2017 FC 552). I am not prepared to infer that Justice Manson meant photographs of goods on offer in a retail setting, without anything more, is sufficient to meet the transfer requirement of subsection 4(1) of the *TMA*. This is borne out by a holistic consideration of *Torres*, particularly with respect to paragraph 9 which describes representative invoices of the goods in question that demonstrate sales of the branded goods.

IV. Conclusion

[22] For the above reasons, the application appealing the TMOB decision under section 56 of the *TMA* is allowed in part but only in respect of footwear namely men's shoes. Registration No. TMA1,021,184 is amended to delete all other goods. No costs are awarded further to the November 14, 2024 order of this Court.

JUDGMENT in T-1411-24

THIS COURT'S JUDGMENT is that:

1. The application is allowed in part.
2. The appealed decision of the Trademarks Opposition Board (*BCF SENCRL/BCF LLP v Kazar Group Spółka z ograniczona odpowiedzialnoscia*, 2024 TMOB 51) is set aside.
3. Registration No. TMA1,021,184 is maintained but only in respect of “footwear namely men’s shoes.” The registration is amended to delete all other goods.
4. There are no costs awarded.

"Janet M. Fuhrer"

Judge

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-1411-24

STYLE OF CAUSE: KAZAR GROUP SPÓLKA Z OGRANICZONA
ODPOWIEDZIALNOSCIA v BCF S.E.N.C.R.L./BCF
LLP

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