

LE REGISTRAIRE DES MARQUES DE COMMERCE THE REGISTRAR OF TRADE-MARKS

Citation: 2016 TMOB 57 Date of Decision: 2016-04-08

IN THE MATTER OF A SECTION 45 PROCEEDING

Arash Shahsavarani Requesting Party

and

Edmond Segbeaya Registered Owner

TMA659,725 for EBESSE ZOZO HOT SAUCE & Design

Registration

[1] At the request of Arash Shahsavarani (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) on August 26, 2014 to Edmon Segbeaya (the Owner), the registered owner of registration No. TMA659,725 for the trade-mark EBESSE ZOZO HOT SAUCE & Design (the Mark). The Mark is shown below:



- [2] The Mark is registered for use in association with the following goods:
 - (1) Clothing namely t-shirts.
 - (2) Hot sauce.

- [3] The notice required the Owner to furnish evidence showing that the Mark was in use in Canada, in association with the goods specified in the registration, at any time between August 26, 2011 and August 26, 2014. If the Mark had not been so used, the Owner was required to furnish evidence providing the date when the Mark was last used and the reasons for the absence of use since that date.
- [4] The relevant definition of use with respect to goods is set out in section 4(1) of the Act as follows:
 - 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.
- [5] It is well established that the purpose and scope of section 45 of the Act is to provide a simple, summary and expeditious procedure for removing "deadwood" from the register and, as such, the evidentiary threshold that the registered owner must meet is quite low [*Uvex Toko Canada Ltd v Performance Apparel Corp* (2004), 31 CPR (4th) 270 (FC)].
- [6] In response to the section 45 notice, the Owner furnished the affidavits of Edmond Segbeaya and Tim McDaniel, sworn on November 5, 2014 and November 10, 2014 respectively in British Columbia. Both parties filed written representations and were represented at an oral hearing held on January 14, 2016.

Owner's Evidence

Affidavit of Edmond Segbeaya

- [7] In his affidavit, the Owner attests that his hot sauces were sold during the relevant period in bottles affixed with labels bearing the Mark. The Owner explains that his hot sauces are sold "through grocery stores, food stores, natural food stores and delicatessens", and that they were shipped to purchasers with the same labels affixed to the shipping boxes.
- [8] The Owner also attests that he sold hot sauces and t-shirts bearing the Mark during the relevant period from a booth at various festivals and fairs held in Canada. Specifically, the

Owner attests that he sold hot sauces and t-shirts bearing the Mark at the Calgary Africa Day fair in 2012, and at a fair held at the Edmonton Convention Centre in 2013.

- [9] In support of the foregoing, the Owner attaches the following exhibits to his affidavit:
 - Exhibit A consists of eight copies of labels bearing the Mark, which the Owner attests "were affixed to bottles of ... hot sauces when they were sold during the relevant period".
 - Exhibit B is a photograph depicting five 250 mL bottles of hot sauces with labels affixed to each bottle that correspond to the Exhibit A labels. The Owner attests that these are "bottles containing [his] hot sauces, bearing the [Mark], as sold during the relevant period".
 - Exhibit C is a photograph of a number of shipping boxes, which the Owner attests contain bottles of his hot sauces, bearing the Mark, as shipped during the relevant period. I note that one of the labels featured in Exhibit A (namely for "HOT COCONUT MILK MARINADE SAUCE") is affixed to the shipping boxes.
 - Exhibit D consists of 22 invoices, which the Owner attests are representative invoices showing sales during the relevant period in Canada of his hot sauces.
 - Exhibit E is a list of festivals and fairs in Canada at which the Owner attests his goods were sold during the relevant period. I note that the list includes "Nelson, BC Wednesday Market" and "Nelson BC Saturday Market".
 - Exhibits F, G and H each consist of one photograph. The Owner attests that these photographs depict the booth where he "sold hot sauces and t-shirts bearing the [Mark]" at the Calgary Africa Day fair in 2012 and at the Edmonton Convention Centre in 2013. I note that the photographs show t-shirts hanging from the side of the booth, and the Mark is clearly displayed on the front of these t-shirts.
 - Exhibit I is a copy of an invoice dated September 1, 2012 showing the sale and shipment of hot sauces and a t-shirt to a customer in Chambly, Quebec. The Owner attests that this invoice corresponds to the goods shown in the photographs at Exhibits F, G, and H.

Affidavit of Tim McDaniel

- [10] In his affidavit, Mr. McDaniel attests that he purchased, in 2011 and 2013, two t-shirts bearing the Mark from the Owner at the Nelson, British Columbia markets.
- [11] Attached as Exhibit A to his affidavit is a photograph, which Mr. McDaniel attests depicts him wearing the t-shirt that he purchased from the Owner in 2013. The Mark appears prominently on the front of the t-shirt.

Preliminary Remark

[12] In coming to my decision, I have considered all of the evidence as well as the submissions made by the parties; however, I will only be specifically referring to those portions which are directly relevant to my findings.

Analysis

Hot Sauces

[13] With respect to use of the Mark in association with hot sauces, the photographs at Exhibits B and C clearly show that the Mark was displayed on the packaging of the Owner's hot sauces, and the invoices at Exhibits D and I clearly evidence sales and transfers of such hot sauces bearing the Mark in Canada during the relevant period. As such, I am satisfied that the Owner has demonstrated use of the Mark in association with "hot sauces" during the relevant period within the meaning of sections 4 and 45 of the Act.

T-shirts

[14] With respect to use of the Mark in association with t-shirts, during the oral hearing, the Requesting Party submitted that the issue in this case is whether the Owner has shown use in such a way that the Mark as displayed is identifiable as a trade-mark and not merely for another purpose. In this respect, the Requesting Party submitted that the Mark as displayed on the Owner's t-shirts does not function as a trade-mark; rather, it functions only to promote or advertise the Owner's hot sauces.

- [15] The Requesting Party submits in its written representations that the context of use is important in determining whether the use is as a trade-mark or otherwise. Citing *SC Johnson & Son, Inc v Registrar of Trade-marks* (1981), 55 CPR (2d) 24 (FCTD), the Requesting Party notes that the Registrar cannot make assumptions and cannot be expected to know the nature of the Owner's business. In this sense, the Requesting Party argues the Owner has not provided any evidence to support that it is the usual commercial practice in the clothing industry to label a trade-mark across the front of t-shirts such that consumers would identify the trade-mark as a source of origin. The Requesting Party submits that such ambiguity should be resolved against the Owner.
- [16] The Owner, on the other hand, submits that it is not open to the Registrar in section 45 proceedings to consider whether use of the trade-mark is for the purpose of distinguishing, or so as to distinguish, goods. The Owner submits that once it is shown that the trade-mark was marked on the goods at the time of transfer of property in or the possession of the goods in the normal course of trade, the inquiry under section 45 is at an end.
- [17] Indeed, in *United Grain Growers Ltd v Lang Michener*, 2001 FCA 66, 12 CPR (4th) 89, the Federal Court of Appeal found that the Registrar erred in considering whether the trade-mark in question actually served to distinguish the goods. It stated the following at paragraphs 13 to 15:
 - [13] ... the Registrar was of the view that it was necessary to evaluate whether the words COUNTRY LIVING would be perceived as a trade-mark to distinguish the COUNTRY GUIDE magazine. In this, the Registrar had regard to s. 2 which defines a trade-mark as:
 - (a) a mark that is used by a person for the purpose of distinguishing or so as to distinguish wares or services manufactured, sold, leased, hired or performed by him from those manufactured, sold, leased, hired or performed by others,

Citing a decision of this Court, *Plough (Canada) Ltd. v. Aerosol Fillers Inc.* (1980), 53 C.P.R. (2d) 62 (F.C.A.), the Registrar concluded that the words COUNTRY LIVING were not used to distinguish the appellant's magazine, and thus not used as a trade-mark. It was for this reason that she expunged COUNTRY LIVING from the Register.

[14] In our respectful opinion, in embarking upon an inquiry as to whether the words COUNTRY LIVING were used to distinguish the appellant's magazine, the Registrar misinterpreted her function under s. 45 and erred in law. No words in s. 45 direct the Registrar to re-examine whether the registered trade-mark is used for the purpose of

distinguishing, or so as to distinguish, wares. Rather, the Registrar's duty under s. 45 is only to determine, with respect to the wares specified in the registration, whether the trade-mark, as it appears in the Register, has been used in the three years prior to the request. [my emphasis]

- [15] In this case, it is undisputed that the registered trade-mark COUNTRY LIVING was marked on the magazine COUNTRY GUIDE at the time of transfer of property in or possession of the magazine in the normal course of trade. We think once it was determined that the registered trade-mark, as it appears in the Register, was used in association with the wares specified in its registration, the inquiry under s. 45 was at an end.
- [18] As noted by the Federal Court of Appeal, the trade-mark in that case was printed in the magazine itself at the time of publication. This clearly constituted the trade-mark having been "marked on the goods themselves" pursuant to section 4(1) of the Act, and the trade-mark was deemed to have been used in association with the magazine goods. Similarly in this case, the Mark was prominently displayed on the front of the t-shirt itself, which I find constituted the Mark having been "marked on the goods themselves" pursuant to section 4(1).
- [19] Moreover, although the Owner agrees with the Requesting Party that the affidavit evidence needs to assist the Court and the Registrar in establishing the nature of the usual purchaser and whether the sales in question were in the normal course of trade, the Owner submits, and I am in agreement, that the evidence in this case is clear as to the nature of the usual purchaser. The Owner notes that Mr. Segbeaya provides clear statements in his affidavit attesting to the sale of t-shirts bearing the Mark directly to purchasers at his booth at various festivals and fairs in Canada. Furthermore, the Exhibit A photograph furnished in Mr. McDaniel's affidavit clearly shows himself as one such purchaser wearing a purchased t-shirt bearing the Mark. Accordingly, when viewing the evidence as a whole, I am satisfied that it is within the Owner's normal course of trade that the Mark was used in association with "t-shirts" during the relevant period within the meaning of sections 4 and 45 of the Act.

Disposition

[20] In view of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act, the registration will be maintained in compliance with the provisions of section 45 of the Act.

Andrea Flewelling Acting Chairperson Trade-marks Opposition Board Canadian Intellectual Property Office

TRADE-MARKS OPPOSITION BOARD CANADIAN INTELLECTUAL PROPERTY OFFICE APPEARANCES AND AGENTS OF RECORD

HEARING DATE: 2016-01-14

APPEARANCES

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AGENTS OF RECORD

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