



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

Citation: 2013 TMOB 223
Date of Decision: 2013-12-20

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by Rivest Tremblay Tétreault against
registration No. TMA494,473 for the trade-mark BELLA
FORMA in the name of Kodev Investments Ltd.**

[1] At the request of Rivest Tremblay Tétreault, the Registrar of Trade-marks issued a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) on September 28, 2011 to Kovac Manufacturing Inc., the registered owner at that time of registration No. TMA494,473 for the trade-mark BELLA FORMA (the Mark).

[2] The Mark is registered for use in association with the following wares: wearing apparel, namely women's pants, skirts, shorts, jackets, dresses, blouses, suits, vests, t-shirts, house coats, dressing gowns, robes, peignoirs and sleepwear.

[3] Section 45 of the Act requires the registered owner of the trade-mark to show whether the trade-mark has been used in Canada in association with each of the wares and services specified in the registration at any time within the three year period immediately preceding the date of the notice and, if not, the date when it was last in use and the reason for the absence of such use since that date. In this case, the relevant period for showing use is between September 28, 2008 and September 28, 2011.

[4] The relevant definition of "use" in association with wares is set out in section 4(1) of the Act:

4(1) A trade-mark is deemed to be used in association with wares if, at the time of the transfer of the property in or possession of the wares, in the normal course of trade, it is marked on the wares themselves or on the packages in which they are distributed or it is in any other manner so associated with the wares 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 mere assertions of use are not sufficient to demonstrate use in the context of section 45 proceedings [*Plough (Canada) Ltd v Aerosol Fillers Inc* (1980), 53 CPR (2d) 62 (FCA)]. Although the threshold for establishing use in these proceedings is quite low [*Woods Canada Ltd v Lang Michener* (1996), 71 CPR (3d) 477 (FCTD)], and evidentiary overkill is not required [*Union Electric Supply Co Ltd v Registrar of Trade Marks* (1982), 63 CPR (2d) 56 (FCTD)], sufficient facts must still be provided to permit the Registrar to arrive at a conclusion of use of the trade-mark in association with each of the wares specified in the registration during the relevant period.

[6] In response to the Registrar's notice, the current owner, Kodev Investments Ltd., furnished the affidavit of John Kovac, sworn on December 13, 2011. Only the owner filed written representations; an oral hearing was not held.

[7] In his affidavit, Mr. Kovac attests that the Mark was assigned to the current owner by way of an assignment dated May 1, 2009. I note that the Registrar recorded the assignment on January 11, 2012, subsequent to the issuance of the notice; however, Mr. Kovac attaches to his affidavit, as Exhibit JK-1, a copy of the assignment from Kovac Manufacturing Inc. dated and signed on May 1, 2009. Mr. Kovac attests that since that date, the Mark has been used by the current owner's licensee, Kovac Industries Inc., pursuant to a license agreement; a copy of this agreement is attached as Exhibit JK-3 to his affidavit. He explains that the three companies are related companies, whereby Mr. Kovac and his brothers are all shareholders and are also the officers and directors of each company (collectively referred to as the Kovac Companies).

Evidence of Use of the Mark

[8] Mr. Kovac attests that, during the relevant period, the Kovac Companies "offered some or all of the Wares for sale in Canada". In support, he attaches to his affidavit, as Exhibit JK-5, photographs of "specimen women's clothing to which are attached hangtags bearing the Mark". He identifies the photos more particularly as one style of BELLA FORMA blouse and four

different styles of BELLA FORMA pants. He also provides, as Exhibit JK-6, specimen hangtags bearing the Mark that he attests were affixed to the women's clothing sold during the relevant period.

[9] With respect to actual sales of the wares, Mr. Kovac provides two invoices dated within the relevant period, which he attests show sales to customers in Canada of women's clothing bearing the Mark. More particularly, he attests that the invoices show sales of two styles of BELLA FORMA pants. I note that one of the invoices is for 14 pairs of pants and the other is for 443 pairs of pants.

[10] In view of this evidence of sales of "pants" in combination with evidence of the manner of display of the Mark on such wares at the time of sale, I am satisfied that the owner has demonstrated use of the Mark in association with "wearing apparel, namely women's pants" within the meaning of sections 4 and 45 of the Act.

[11] However, with respect to the remaining wares, including blouses, Mr. Kovac provides no evidence of transfers in the normal course of trade or otherwise during the relevant period. He merely states that the Kovac Companies had inventory "on hand" for the various other wares and that they were "in a position to produce all the different clothing items ...to sell to its customers if so ordered."

Special Circumstances

[12] In the absence of evidence of transfers in the normal course of trade, the issue is whether, pursuant to section 45(3) of the Act, special circumstances existed to excuse the absence of use of the Mark in association with these remaining wares during the relevant period.

[13] Generally, a determination of whether there are special circumstances that excuse non-use involves consideration of three criteria, as set out in *Registrar of Trade Marks v Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 (FCA). The first is the length of time during which the trade-mark has not been in use, the second is whether the reasons for non-use were beyond the control of the registered owner and the third is whether there exists a serious intention to shortly resume use.

[14] The decision in *Smart & Biggar v Scott Paper Ltd* (2008), 65 CPR (4th) 303 (FCA) offered further clarification with respect to the interpretation of the second criterion, with the determination that this aspect of the test *must* be satisfied in order for there to be a finding of special circumstances excusing non-use of a trade-mark. In other words, the other two factors are relevant but, considered by themselves, in isolation, cannot constitute special circumstances. Further, the intent to resume use must be substantiated by the evidence [*Arrowhead Spring Water Ltd v Arrowhead Water Corp* (1993), 47 CPR (3d) 217 (FCTD); *NTD Apparel Inc v Ryan* (2003), 27 CPR (4th) 73 (FCTD)].

[15] In this case, Mr. Kovac only provides the following explanation, at paragraph 17 of his affidavit:

The production and sale of the different Wares bearing the Mark will depend on customer demand and market trends that vary with each season's collection. As a result not all the Wares associated with the Mark are offered for sale in Canada at all times.

[16] I would note that no clear statement is made regarding the first criterion and, while Mr. Kovac attests that the Kovac Companies are "in a position" to use the Mark, he provides no specifics as to when or under what circumstances use of the Mark may resume with respect to each of the remaining wares.

[17] With respect to the second criteria, I note that poor or unfavourable market conditions are generally not considered special circumstances excusing non-use [see *Harris Knitting, supra*; *Rogers, Bereskin & Parr v Registrar of Trade-marks* (1987), 17 CPR (3d) 197 (FCTD); *Lander Co Canada Ltd v Alex E Macrae & Co* (1993), 46 CPR (3d) 417 (FCTD)]. Similarly, in cases where the owner had no intent to abandon its mark in Canada, but lacked any orders from Canadian customers during the relevant period, this was not in itself sufficient to maintain the registration [see *Garrett v Langguth Cosmetic GMBH* (1991), 39 CPR (3d) 572 (TMOB)]. In this case, Mr. Kovac merely asserts but does not provide details regarding "market trends" in the clothing industry. While it may be reasonable that not all types of clothing products be made available year-round, it does not explain the lack of availability over a period of years such as the relevant period. Instead, the Kovac Companies appear to have limited the sale of clothing items bearing the Mark to "pants" during the relevant period. In the absence of further detail, this

would appear to be the voluntary decision of the owner, and not the result of circumstances beyond its control.

[18] Accordingly, I cannot conclude that the owner has demonstrated special circumstances excusing non-use of the Mark during the relevant period with respect to the registered wares other than “pants”.

Disposition

[19] In view of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act and in compliance with the provisions of section 45 of the Act, the registration will be amended to delete the following wares: “...skirts, shorts, jackets, dresses, blouses, suits, vests, t-shirts, house coats, dressing gowns, robes, peignoirs and sleepwear”.

[20] The amended statement of wares will read as follows: “wearing apparel, namely women’s pants”.

Andrew Bene
Hearing Officer
Trade-marks Opposition Board
Canadian Intellectual Property Office