



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

Citation: 2015 TMOB 134
Date of Decision: 2015-07-31

IN THE MATTER OF A SECTION 45 PROCEEDING

Cassels Brock & Blackwell LLP	Requesting Party
and	
Carfinco Financial Group Inc.	Registered Owner
TMA650,913 for CAR-Q & Design	Registration

[1] This is a decision involving a summary expungement proceeding with respect to registration No. TMA650,913 for the trade-mark CAR-Q & Design (the Mark) shown below, owned by Carfinco Financial Group Inc.



[2] The Mark is registered for use in association with the following services (the Services):

Financing services, namely, providing on-line applications to dealerships for the financing of automobiles; information services, namely, providing on-line information to dealerships relating to the status of an application; contract management services relating to financing of a vehicle.

[3] On July 22, 2013, at the request of Cassels Brock & Blackwell LLP (the Requesting Party), the Registrar of Trade-marks issued a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 to Carfinco Inc., the registered owner at that time (the Owner). The notice required the Owner to provide evidence showing that the Mark was in use in Canada at any time between July 22, 2010 and July 22, 2013, in association with each of the Services. If the Mark had not been so used, the Owner was required to furnish evidence providing the date when the Mark was last in use and the reasons for the absence of use since that date.

[4] The relevant definition of “use” in association with goods is set out in section 4(2) of the Act:

4(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.

[5] It has been well established that the purpose and scope of section 45 of the Act is to provide a simple, summary, and expeditious procedure for clearing the register of “deadwood”. The criteria for establishing use are not demanding and an overabundance of evidence is not necessary. However, sufficient evidence must nevertheless be provided to allow the Registrar to conclude that the trade-mark was used in association with each of the registered services during the relevant period [see *Uvex Toko Canada Ltd v Performance Apparel Corp* (2004), 31 CPR (4th) 270 (FC)]. Furthermore, mere statements of use are insufficient to prove use [see *Plough (Canada) Ltd v Aerosol Fillers Inc* (1980), 53 CPR (2d) 62 (FCA)].

[6] In response to the Registrar’s notice, the Owner furnished the affidavit of Troy S.F. Graf, sworn October 17, 2013, together with Exhibits A through I. Only the Requesting Party filed written representations; an oral hearing was not held.

[7] The Requesting Party’s representations can be summarized as follows:

- The Owner has not provided sufficient evidence of use of the Mark during the relevant period for each of the Services;
- Any use which might have been demonstrated is use by a third party and not by the Owner or the Owner’s predecessor-in-title; and

- The Mark as purportedly used is not the registered Mark; and

[8] For the reasons that follow, I conclude that the registration ought to be maintained.

[9] Before discussing the reasons for my decision and the submissions of the parties, I will begin with a brief summary of the evidence.

The Evidence

[10] Mr. Graf attests that he is the Chief Operating Officer of the Owner. He states that the Owner has consistently and continually used the Mark in respect of the provision of the Services since December 2004.

[11] In this regard, Mr. Graf states that the Mark has been used in the Owner's dealer guides for the "regular" and "Go Plan Programs", provided to new and existing dealers as reference material since 2005. He attests that content contained in the dealer guides provides information with respect to the provision of the Services to automobile dealerships. In support, he attaches as Exhibits B to H, copies of dealer guides dating from 2005 to 2011. The various dealer guides are entitled "Vehicle Purchase Payment Plan Guidelines", with respect to dealer guides for the years 2005 through 2008 (Exhibits B-E), and "Go Plan. A Dealer Participation Program" (Exhibit F) and "Go Plan II. A Dealer Participation Program" (Exhibits G and H) with respect to dealer guides for the years 2008 and 2011.

[12] These dealer guides describe the Owner as an Alberta-based specialized vehicle financing company, providing loans to vehicle purchasers in Canada who do not fit conventional lender's criteria for acceptance of such loans. Before listing the criteria for loan acceptance and information about financing and financing procedures, the "Vehicle Purchase Payment Plan Guidelines" guides include a section with the Owner's contact information under the heading "For More Information About Carfinco". Notably, this section also includes a depiction of the Mark which appears with the words "Credit Applications" and reference to the Owner's website, *www.carfinco.com*. Additionally, in the "Questions?" section of the dealer guides, when describing how to submit a financing application, the guides indicate that once the Owner has received the appropriate dealer documents (described in detail within the guides), the dealer is

assigned a user id and a password “to gain entry to CARFINCO’s totally internet-based application and contract management system CAR-Q found at *www.carfinco.com*.” Lastly, two pages within the “Vehicle Purchase Payment Plan Guidelines” guides refer to the CAR-Q “internet application and contract management system”, providing instructions on how to navigate the on-line CAR-Q system at *www.carfinco.com*, which begins by clicking the “CAR-Q button” on the website.

[13] Two of the three remaining dealer guides, namely the 2008 and 2011 “Go Plan II. A Dealer Participation Program” guides similarly reference the Mark and the on-line CAR-Q system. In these guides, under the section entitled “GO PLAN Application Procedures”, a depiction of the Mark appears with the words “GO PLAN Credit Applications” with reference once again to the Owner’s website, *www.carfinco.com*. This section is prefaced with the following information: “Go Plan applications and deal structure approvals are submitted on CARFINCO’s internet portal CAR-Q. The portal entry is found by going to *www.CARFINCO.com* and clicking on the CAR-Q button”. While the third dealer guide, namely the 2008 “Go Plan. A Dealer Participation Program” does not include a depiction of the Mark as with each of the other dealer guides, it does include a section entitled “GO PLAN on Car-Q”, which provides similar instructions on how to navigate the on-line CAR-Q system as detailed in the above-described “Vehicle Purchase Payment Plan Guidelines” guides.

[14] Although the dealer guides appear to be consistent in many respects over the years, I note that only one of the dealer guides in evidence, namely, the guide entitled “Go Plan II. A Dealer Participation Program” (Exhibit H) is dated within the relevant period.

[15] Mr. Graf concludes his affidavit by stating that the words CAR-Q have been used since December 2004 and are currently being used on the Owner’s website, *www.carfinco.com*. In support, he attaches as Exhibit I to his affidavit, a screen shot of the homepage of the Owner’s website. Mr. Graf attests that new and existing dealers as users of the Owner’s website click on the “CAR-Q” login button at the bottom right-hand corner of the webpage to gain password protected access to the Services.

Analysis and Reasons for Decision

[16] As previously indicated, the Requesting Party submits that the Registrant has not provided sufficient evidence of use of the Mark during the relevant period for each of the Services. In this regard, to begin with, the Requesting Party correctly submits that Exhibits B through G are from outside of the relevant period, being dated from 2005 through 2008.

[17] While the Requesting Party acknowledges that the dealer guide at Exhibit H is within the relevant period, the Requesting Party submits that this exhibit is equivocal in at least two ways. First, the Requesting Party submits, the date of this exhibit is suspect as it references similar information regarding lending terms as listed at page two of the 2008 dealer guide in Exhibit G. The Requesting Party submits that this equivocation is reinforced by the wording of the last page of the Exhibit F, 2007 dealer guide, which unlike the guide at Exhibit H, specifically refers to lending terms and conditions for the year it purports to relate (*i.e.* 2007). As to why the terms and conditions in the Exhibit H dealer guide were not updated over the course of three years, the Requesting Party submits it that would have explored this issue on cross-examination; however, since cross-examination is not permitted in a section 45 proceeding, the Requesting Party submits that this represents an ambiguity that ought to be construed against the Owner.

[18] However, I see no reason to doubt Mr. Graf's sworn statement that the dealer guide in Exhibit H pertains to the year 2011. Despite that the Exhibit H dealer guide includes similar information regarding lending terms and conditions indicated to be effective as of January, 2008, I note that it also specifically refers to particular lending terms and conditions for the year 2011.

[19] Second, the Requesting Party submits that nowhere in Exhibit H (or in any of the other dealer guides for that matter) is there any identification of the Owner or its predecessor-in-title as the owner of the Mark or as the entity providing the services in question. Thus, the Requesting Party submits, the evidence fails to show use of the Mark as a trade-mark by the Owner or an authorized licensee during the relevant period.

[20] However, the Owner is not required to provide evidence of use of the Mark along with its name [see *Gowling Lafleur Henderson LLP v Classical Remedia Ltd* (2008), 2008 CarswellNat 4603 (TMOB); *Novopharm Ltd v Monsanto Canada, Inc* (1997), 80 CPR (3d) 287 (TMOB); and

Vogue Brassiere Inc v Sim & McBurney (2000), 5 CPR (4th) 537 (FCTD)]. Furthermore, contrary to the Requesting Party's submission, I see no reference to a third party as the source of origin of the Services in the evidence. Consequently, in the present case, when the exhibits and the affidavit are read together as a whole, I accept that the dealer guides are that of the Owner and that the website screenshots emanate from the Owner's website - all of which reflect the performance and advertising of the Services by the Owner as stated in the affidavit.

[21] Once again with respect to the Requesting Party's submission that there is no evidence of use of the Mark with the Services, the Requesting Party additionally submits that the affidavit is silent as to how the dealer guides are furnished to new dealers. Further to this, the Requesting Party submits that the exhibits do not contain "applications" as per the statement of Services, whether provided on-line or otherwise. As an example, the Requesting Party submits that Mr. Graf does not attest that the financing applications can be downloaded from the Owner's website or that the Owner did in fact process applications through its website during the relevant period.

[22] I note however, that the dealer guide at Exhibit H specifically includes reference to the Mark prefaced by the following: "Go Plan applications and deal structure approvals are submitted on CARFINCO's internet portal CAR-Q. The portal entry is found by going to *www.CARFINCO.com* and clicking on the CAR-Q button". While the applications themselves are not represented in the evidence, the dealer guide clearly advertises such services in association with the Mark. Furthermore, the dealer guides provide a detailed description of the services that are provided through the CAR-Q internet portal, which in my view, sufficiently encompasses each of the registered Services. As such, I am satisfied that the Mark was used in the advertising of the Services that were available to be performed during the relevant period. Furthermore, I accept that the Services were actually performed as Mr. Graf attests that they were (paragraph 4 of the affidavit), and the continuous updating of dealer guides over the years as demonstrated in the evidence is consistent with this conclusion. Again, it is the evidence as a whole that must be considered in conjunction with Mr. Graf's sworn statements.

[23] Lastly, the Requesting Party submits that the evidence does not show use of the Mark as registered. In this regard, the Requesting Party focuses on the screenshot capture from the Owner's webpage (Exhibit I), which shows use of the word CAR-Q in block letters, without the

design features incorporated in the Mark. The Requesting Party submits that the use of the word mark alone is a significant deviation from the Mark as registered, as the dominant design features of the Mark are not preserved. The Requesting Party further submits that while it might be argued that the word mark CAR-Q does not lose its dominant features when incorporated into the Mark, the same is not true of the reverse. In particular, the Requesting Party submits that the dominant elements are the differing sized letters, the maple leaf imagery, the halo effect and the pronounced background keyboard key, none of which have been preserved in the word mark CAR-Q as displayed on the Owner's webpage [citing *Canada (Registrar of Trade-marks) v Cie Internationale pour l'informatique CII Honeywell Bull* (1985), 4 CPR (3d) 523 (FCA); and *Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)].

[24] Per *Promafil*, it is true that “the practice of departing from the precise form of a trademark as registered... is very dangerous to the registrant” [at 71]. However, cautious variations are permitted, provided that the same dominant features are maintained and the differences are so unimportant as not to mislead an unaware purchaser [*CII Honeywell Bull, supra* at 525]. In the present case, I consider the word CAR-Q to be the dominant feature of the Mark as registered, notwithstanding the additional design elements. In any event, this issue is moot, as the Mark as registered appears in the Exhibit H dealer guide in association with the Services which were available to be performed online during the relevant period. For the purposes of section 4(2) of the Act, this is sufficient.

Disposition

[25] Having regard to 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.

Kathryn Barnett
Hearing Officer
Trade-marks Opposition Board
Canadian Intellectual Property Office

No Hearing Held

Agents of Record

Bryan & Company LLP

For the Registered Owner

Cassels Brock & Blackwell LLP

For the Requesting Party