

**SECTION 45 PROCEEDINGS  
TRADE-MARK LENTRONICS  
REGISTRATION NO.: TMA 341,159**

On June 13, 1997, at the request of Messrs. Sim & McBurney, the Registrar forwarded a Section 45 notice to Microtel Limited/Microtel Limitée, the registered owner of the above-referenced trade-mark registration.

The trade-mark LENTRONICS is registered for use in association with the following wares and services:

Wares: Communications carrier equipment, namely, frequency division multiplex equipment, voice frequency conditioning equipment, and protection relaying equipment.

Services: Services of engineering, manufacturing and installing of voice and data communications and processing systems to customer specifications.

In response to the Registrar's notice, the registrant furnished the affidavit of Anthony J. Lafleur, Vice President and Associate General Counsel for Northern Telecom Limited. Neither party filed a written argument. However, each party was represented at the oral hearing.

In his affidavit Mr. Lafleur states that Northern Telecom Limited and BC Tel formed Prism Systems Inc., a British Columbia based company on August 31, 1989. He specifies that such company is owned 51% by Northern Telecom Limited. He states that on January 24, 1990, the registrant licensed Prism Systems Inc. to use the trade-mark LENTRONICS. One of the terms of the license agreement reads as follows:

“Microtel shall have the right to monitor and inspect Products manufactured, used, leased, licensed or sold by Prism at reasonable times for the purpose of enabling Microtel to ensure that improper or unauthorized use of Trademarks is not being made and that Products are manufactured in accordance with standards and specifications approved by Microtel. The maintenance of standards and specifications substantially similar to those maintained by Microtel's subsidiaries at their facilities prior to execution of the License Agreement shall be deemed acceptable in that regard. Prism shall supply samples of Products to Microtel upon request.”

He adds that at all material times Prism Systems Inc. used the trade-mark LENTRONICS by or with the authority of the registrant. He then submits that by way of an agreement dated December 31, 1994, the registrant assigned all of its assets to BC Tel and BC Tel

assumed all of the assets and liabilities of the registrant including the aforesaid license agreement. As exhibit 1, he attaches a copy of the assignment and assumption agreement between Microtel Limited and BC Tel. As exhibit 2, he attaches evidence of the assignment of the trade-mark LENTRONICS from BC Tel to Northern Telecom Limited (“Nortel”).

Concerning the use of the trade-mark, Mr. Lafleur submits that Prism Systems Inc. used the trade-mark in association with communications carrier equipment, namely, frequency division multiplex equipment, voice frequency conditioning equipment, and protection relaying equipment as well as the registered services.

At paragraph 9, he submits that for the years 1994, 1995 and 1996, the dollar value of sales in Canada of the LENTRONICS wares bearing the trade-mark has been in excess of \$10,000,000 (Cdn.) annually. As an example of customers to whom the wares were transferred, he submits as exhibit 3 a copy of an invoice from Prism systems Inc. to Edmonton Power. Concerning other customers he names Public Utilities Commission of the City of Scarborough, Hydro Quebec, Saskatchewan Power, New Brunswick Power Corp. As an example of the manner the trade-mark appeared at all material times in association with the wares at the time of transfer, he provides four face plates bearing the trade-mark showing use of the trade-mark in association with a J-Mux unit which product is referred to in the invoices submitted as exhibit 3.

Concerning the services, he attaches as exhibit 5 four brochures entitled “EF & I Services Group The System Integrators”; “LENTRONICS 46A3-SC Single Channel Analog Multiplex System”; “LENTRONICS 84900 Analog Lightwave System” and “LENTRONICS Product Support Centre”, and he submits that this is merely exemplary of how the trade-mark has been used in association with the services.

The requesting party argues that it is unclear whether the present trade-mark has been assigned on December 31, 1994 to B.C. Tel as there is no clear reference in the assignment document to the present trade-mark, and in this regard, it relies on the case

*Holmested & Associés v. Bridge of Dreams Computer Co. Ltd.*, 64 C.P.R. (3d) 96. In the case *Marcus, carrying on business as Marcus & Associates v. Quaker Oats Co. of Canada*, 20 C.P.R. (3d) 46, it would appear that the Federal Court of Appeal has affirmed the jurisdiction of the Registrar in a Section 45 proceeding to decide the effect of an assignment filed during such proceedings. As a result, I have reviewed the documents submitted and I am satisfied that they show that Microtel Ltd. transferred all of its assets including its trade-marks and all agreements to BC Tel on December 30, 1994 and that on September 11, 1997 subsequent to the notice date, the trade-mark was assigned to Northern Telecom Limited. As the assignment document clearly refers to all assets (including trade-marks and all agreements etc.), having been transferred to B.C. Tel. this satisfies me that the present trade-mark formed part of the transaction. The *Holmested* case, *supra*, can be distinguished from the present case as the wording of the assignment document in that case was found to be ambiguous and further there was contradictory evidence concerning the owner of the trade-mark during the relevant period. Here, it is clear from the document that all assets of Microtel were transferred which, in my view, would have included all trade-marks.

Concerning the use in association with wares, I conclude that the evidence contains sufficient facts to lead to a conclusion of use in association with each of the registered wares. The requesting party submitted that a connection could not be made between the wares referred to in the invoice and the registered wares and as a result it could not be determined whether the invoice showed sales of the wares covered by the registration. I respectfully disagree. In this regard, at paragraph 7 of the Lafleur affidavit there is a clear statement that the use of the trade-mark has been in connection with communications carrier equipment, namely, frequency division multiplex equipment, voice frequency conditioning equipment, and protection relaying equipment, which he then refers to as “LENTRONICS wares”. At paragraph 9, he has provided the dollar value of sales in Canada for the years 1994, 1995 and 1996 with respect to the “LENTRONICS wares” and I am satisfied that this consists of a statement of facts showing use during the relevant period. Concerning the invoice furnished, he has clearly indicated that the invoice is merely exemplary. Further concerning the manner the trade-

mark appeared in association with the wares at the time of transfer in the normal course of trade, he has provided as an example of such use, four face plates which clearly bear the trade-mark and he has explained that such plates are used in association with a J-Mux unit which product is referred to in the invoice submitted as exhibit.

Consequently, when the evidence is considered in its entirety I find it is sufficient to show use of the trade-mark in association with the registered wares. Further, I am satisfied that the evidence contains sufficient facts to lead to a conclusion of use of the trade-mark during the relevant period in association with each of the registered wares. As stated in the case *Union Electric Supply Co. Ltd. v. Registrar of Trade-marks* 63 C.P.R. (2d) 56, evidentiary overkill is not required, in response to a Section 45 notice, and use must be shown not examples of all uses.

Concerning the fact that the use shown during the relevant period is use by Prism Systems Inc., the requesting party has argued that in the absence of a copy of the license agreement, it could not be presumed that the use by Prism Systems Inc. during the relevant period was use complying with Section 50 of the Trade-marks Act. However, I am of the view, giving the affidavit a fair reading, that it contains sufficient facts to permit me to conclude that any use by Prism Systems Inc. during the relevant period was use accruing to Microtel Limited (prior to December 1994) and BC Tel from December 31, 1994 to September 1997.

Concerning the services, I find the evidence to be insufficient to permit me to conclude that the trade-mark has been used in association with the services at any time during the three-year period immediately preceding the date of the notice.

The registered services in this case are: “services of engineering, manufacturing and installing of voice and data communications and processing systems to customer specifications”.

As examples of the use of the trade-mark in association with the services, Mr. Lafleur relies on the four brochures attached as Exhibit 5.

The first and second brochures bear the trade-mark and refer respectively to “46A3-SC Single Channel Analog Multiplex System” and “84900 Analog Lightwave System”. The brochures then provide descriptions of such products. The brochures do not refer to any services being offered under the trade-mark LENTRONICS but rather refer to specific products of the registrant. The last brochure refers to “repair, refurbishing and support services” which are not the services covered by the present registration. The third brochure refers to “EF & I Services Group - The System Integrators”. The name “Lentronics Division” appears at the top of the brochure. In my view such use of the word “Lentronics” is use as part of a trade-name and not use as a trade-mark. However, I note that the term “Lentronics” per se is often mentioned therein. Arguably such use of the word “Lentronics” per se could be perceived as trade-mark use as well as trade-name use.

As it could be perceived as use of a trade-mark, and as I find that the brochure describes services that may fall under the registered services, I conclude that such brochure shows use of the trade-mark in the advertising of the services. The problem, however, is that there is no evidence that the services were advertised during the relevant period, namely between June 13, 1994 to June 13, 1997 and there is no evidence that the services were performed or available to be performed during such relevant period. The brochure bears a printing date at the back namely “08/93”. At the hearing, counsel for the registrant submitted that if it was printed in August 1993 it is logical to assume that services continued in 1994-1995, and 1996. I find I cannot make that inference without more details. I note that nowhere in the Lafleur affidavit is it stated that the services were advertised or performed during the relevant period. Rather Mr. Lafleur chose to be vague on the matter by stating at paragraph 13 that the use has been continuous, rather than showing some use during the relevant period. If the trade-mark was in use in association with the registered services during the relevant period, I conclude that Mr. Lafleur has failed to show such use.

Consequently, in view of the evidence furnished I conclude that the trade-mark registration ought to be amended by deleting the services therefrom.

Registration No. TMA 341,159 will be amended accordingly, in compliance with the provisions of Section 45(5) of the Trade-marks Act.

DATED AT HULL, QUEBEC THIS 23rd DAY OF December, 1998.

D. Savard  
Senior Hearing Officer  
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