

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

Citation: 2015 TMOB 208 Date of Decision: 2015-11-25

IN THE MATTER OF A SECTION 45 PROCEEDING

Barrette Legal Inc. Requesting Party

and

Casella Wines Pty Limited Registered Owner

TMA617,952 for yellow tail & Kangaroo Registration Design

[1] At the request of Barrette Legal Inc. (the Requesting Party), the Registrar of Trade-marks issued a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) on November 8, 2013 to Casella Wines Pty Limited (the Owner), the registered owner of registration No. TMA617,952 for the trade-mark yellow tail & Kangaroo Design (the Mark) as illustrated below:





- [2] The Mark is registered for use in association with wines (the Goods).
- [3] The notice required the Owner to furnish evidence showing that the Mark was in use in Canada, in association with the Goods, at any time between November 8, 2010 and November 8, 2013 (the Relevant Period). 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 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 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 goods and services specified in the registration during the relevant period [see *Uvex Toko Canada Ltd v Performance Apparel Corp*, 2004 FC 448, 31 CPR (4th) 270].
- [6] In response to the Registrar's notice, the Owner furnished the affidavit of Julian Raccanello. Only the Owner filed written representations. A hearing was held and attended by both parties.

The Owner's Evidence

- [7] Mr. Raccanello is the Owner's Global Sales Support & South American Market Manager and has held this position for more than 9 years. He states that the Owner produces, exports, distributes and sells wines in over fifty countries, including Canada.
- [8] Mr. Raccanello states that the Owner is the registered owner of the Mark, certificate of registration TMA617,952 in association with the Goods.
- [9] As for the allegation of use of the Mark in Canada in association with the Goods, I can summarize Mr. Raccanello's statements in the following terms:
 - Goods bearing the Mark were first sold in Australia in 2001. As of October 2013, the Owner bottled its one billionth bottle of Goods bearing the Mark;
 - Goods bearing the Mark are sold in more than 50 countries, including Canada;
 - During the Relevant Period, the Owner sold Goods in association with the Mark in the
 normal course of trade, i.e. to various provincial liquor boards in Canada such as the
 Liquor Control Board of Ontario (LCBO), who in turn sold the Goods to Canadian
 consumers in their various outlets in Canada;
 - The Mark appears directly on the Goods or on the packaging in which the Goods are sold;
 - Exhibit JC-1 to his affidavit includes extracts of the Owner's website illustrative of the
 Mark as it appeared directly on the Goods sold in Canada during the Relevant Period.
 Also on the first page, Canada is listed as a country where the Goods bearing the Mark
 are available;
 - Exhibit JC-2 includes a few photos illustrative of the packaging used to ship the Goods to Canada on which appears the Mark;
 - Exhibit JC-3 consists of representative invoices evidencing sales by the Owner to the LCBO of the Goods bearing the Mark during the Relevant Period;

- Exhibit JC-4 consists of extracts of the LCBO's website illustrative of the manner in which the Mark was displayed on the Goods sold in Canada during the Relevant Period;
- The Owner sold during the Relevant Period for \$90 million worth of Goods bearing the Mark in Canada.

Analysis of the Requesting Party's arguments

Identification of the exhibits

- [10] At the outset of the hearing, the Requesting Party brought to my attention the fact that Mr. Raccanello makes reference in his affidavit to Exhibits JC-1 to JC-4 inclusive, while the exhibits attached to his affidavit are identified as Exhibits JR-1 to JR-4. As such, the Requesting Party submits, as there are no Exhibits JC-1 to JC-4 in the record, there is no documentary evidence in the file.
- [11] I consider this situation to be merely a typographical error wherein the letter R in the identification of the exhibits has been replaced in the core of the affidavit by the letter C. This is clearly evident from a reading of the description of the exhibits provided by Mr. Raccanello in his affidavit. Such description corresponds to the exhibit attached to his affidavit and identified under the alphanumerical system JR-1 to JR-4. It is well established that technical deficiencies should not be a bar to a successful response to a section 45 notice [see *Gowling Lafleur Henderson LLP v Gerald Alan Croxall*, 2013 TMOB 1, 109 CPR (4th) 148 (TMOB)].
- [12] For the purposes of my decision, I will use the alphanumerical identification contained in the core of the affidavit as described above, namely JC-1 to JC-4.

Trade-mark used vs the Mark

Major differences between the Mark and the trade-mark used

[13] The following main arguments have been raised by the Requesting Party:

- There are additional words to the Mark on the exhibits filed such that it is a different trade-mark that has been used;
- The dimensions and location of the various words and features of the Mark do not match those on the exhibits filed;
- What appears on the pictures of the bottles filed as Exhibit JC-1 is not the Mark, since the
 bottles are a three dimensional representation of a trade-mark while the Mark is a two
 dimensional representation of a trade-mark;
- The Requesting Party argues that the addition of the grape variety on the labels affixed to the bottles (for example: Chardonnay, Merlot, etc...) on Exhibits JC-1 and JC-4 is a major difference as it serves to distinguish the Goods by their grape variety. Moreover the Requesting Party argues that the horizontal rectangle in which is inscribed the portion '[yellow tail]', as well as the vertical rectangle in which appears the kangaroo design are absent on the packaging in Exhibit JC-2. Finally, the kangaroo illustrated on that exhibit is much larger than the one appearing on the Mark.
- [15] As mentioned by the Requesting Party, the addition of the grape variety serves to identify the type of wine and not to distinguish the source of the Goods from one supplier to another. In any event, I do not consider such addition to be a major deviation from the Mark. The Mark maintains its 'recognizability' because its dominant features, namely '[yellow tail]' and the kangaroo design, have been preserved [see *Canada (Registrar of Trade Marks) v Cie internationale pour l'informatique CII Honeywell Bull, SA*, (1985) 4 CPR (3d) 523 (FCA)].
- [16] As for the absence of the horizontal and vertical rectangles on the packaging illustrated on Exhibit JC-2 as well as the size of the kangaroo, I also do not consider these to be significant deviations from the Mark [see *Riches, McKenzie & Herbert LLP v Scott-Bathgate Ltd*, 2007 CanLII 80963 (CA TMOB)]. Again, the essential features of the Mark are illustrated on the packaging in Exhibit JC-2. The size of the kangaroo is proportional to the size of the lettering used for the portion '[yellow tail]' in the Mark. It does not mislead the unaware purchaser on the

source of origin of the Goods [see *Promafil Canada Ltd v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)].

- [17] The Requesting Party is relying on the Registrar's recent decision in *Constellation Brands Quebec Inc v Julia Wine Inc.*, 2015 TMOB 93 (CanLII) to support its argument that the pictures of the bottles filed as Exhibit JC-1 do not represent use of the Mark, since the bottles are a three dimensional representation of a trade-mark, while the Mark is a two dimensional representation of a trade-mark. Consequently, according to the Requesting Party, there would be no evidence of use of the Mark in association with the Goods.
- The Registrar's decision in *Constellation Brands Quebec Inc* was rendered in the context of an opposition to an application wherein the opponent raised a non-conformity issue based on the provisions of section 30(h) of the Act. As stated earlier, a section 45 proceeding is summary in nature. The Owner is only required to evidence use of the Mark in association with the Goods during the Relevant Period. In a section 45 proceeding, the question is whether a registered trade-mark should be expunged for non-use. As non-conformity of an application that led to the registration of the Mark is not in issue in section 45 proceedings [regarding the scope of section 45 proceedings, see *Ridout & Maybee LLP v Omega SA* (2005), 2005 FCA 306 (CanLII), 43 CPR (4th) 18(FCA); and *Phillip Morris Inc v Imperial Tobacco Ltd* (1987), 13 CPR (3d) 289 at 293 (FC)], I do not consider *Constellation Brands* applies in this case.
- [19] In any event, even if I were to conclude that Exhibit JC-1 does not constitute evidence of use of the Mark as registered, there is still evidence of use of the Mark in the form of the packaging used to ship the Goods to Canada (Exhibit JC-2). Furthermore, Mr. Raccanello filed representative invoices to evidence the sale of Goods in association with the Mark to the LCBO during the Relevant Period. Mr. Raccanello stated that sales of the Goods bearing the Mark in Canada were nearly 90 million dollars. Clearly, the Mark is not 'deadwood' on the register.

No reference to the Mark on the invoices filed

- [20] The Requesting Party argues there is no indication on the invoices filed as Exhibit JC-3 that the Goods referred thereto bear a two dimensional representation of the Mark as registered.
- [21] The purpose of the filing of the invoices must be taken in the global context of the affidavit. They were not filed as evidence of use of the Mark *per se* where the Mark would appear on the invoices filed, but rather as evidence of transfer of property of the Goods to a customer in Canada during the Relevant Period. The packaging illustrated on Exhibit JC-2 combined with the invoices filed as Exhibit JC-3 are sufficient, in the context of the allegations contained in Mr. Raccanello's affidavit, to establish use of the Mark within the meaning of section 4(1) of the Act.

Extracts of websites do not constitute evidence of use of the Mark

- [22] The Requesting Party argues the extracts of a website do not constitute evidence of use of the Mark in association with the Goods.
- [23] The extracts of the LCBO's website filed as Exhibit JC-4 must be taken in the context of the allegations contained in Mr. Racannello's affidavit. He alleges that the Goods are shipped to the LCBO in Canada in the packaging illustrated on the photograph filed as Exhibit JC-2, which shows the Mark, as I concluded in paragraph 16 above. He then filed invoices (Exhibit JC-3) to illustrate the transfer of property of the Goods to LCBO and finally, he filed extracts of LCBO's website (Exhibit JC-4) to show that the latter is offering for resale the Goods sold by the Owner in association with the Mark.

Conclusion

[24] In all, I conclude that the Owner has discharged its burden to prove that it has used the Mark in Canada, within the meaning of section 4(1) of the Act, in association with the Goods during the Relevant Period.

Disposition

[25] Pursuant to the authority delegated to me under section 63(3) of the Act, registration TMA617,952 will be maintained in compliance with the provisions of section 45 of the Act.

.

Jean Carrière Member Trade-marks Opposition Board Canadian Intellectual Property Office Hearing Date: 2015-11-12

Appearances

Stella Syrianos For the Registered Owner

Bruno Barrette For the Requesting Party

Agents of Record

Robic For the Registered Owner

Barrette Legal Inc.. For the Requesting Party