



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

Citation: 2015 TMOB 33
Date of Decision: 2015-02-25

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by Sim & McBurney against registration
No. TMA767,570 for the trade-mark HONEY GIRL in
the name of Honey Girl Hawaii LLC**

[1] At the request of Sim & McBurney (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 June 7, 2013 to Honey Girl Hawaii LLC (the Registrant), the registered owner of registration No. TMA767,570 for the trade-mark HONEY GIRL (the Mark).

[2] The Mark is registered for use in association with the following goods:

- (1) Swimwear.
- (2) Clothing, namely rash guards, t-shirts, sweat shirts, and board shorts.

[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 goods 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 June 7, 2010 and June 7, 2013.

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

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 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 goods specified in the registration during the relevant period.

[6] In response to the Registrar's notice, the Registrant filed the affidavit of Ms. Louisa Ngum, owner of the Registrant, sworn on January 18, 2014 in Honolulu, Hawaii. Only the Registrant filed written representations, but both parties were represented at an oral hearing.

Evidence of Use

[7] In her affidavit, Ms. Ngum describes the Registrant as a designer, manufacturer and seller of junior and ladies' swimwear and clothing. She attests that the Registrant's HONEY GIRL brand products are produced and shipped by the Registrant directly to Canadian customers and that such products are also sold to "surf and swim shops" in Canada, for resale to Canadian consumers.

[8] With respect to the manner of display of the Mark, Ms. Ngum attaches to her affidavit, as Exhibits 1 and 2, four photographs of labels and hangtags affixed to various garments. The Mark is clearly displayed and Ms. Ngum attests that such labels and hangtags are representative of those affixed to swimwear and clothing sold by the Registrant during the relevant period.

[9] With respect to sales of the goods during the relevant period, Ms. Ngum attests that, during the relevant period, the Registrant sold "thousands of dollars of merchandise branded with the HONEY GIRL trade mark in Canada". In particular, she states that goods bearing the Mark

were sold to Mountain Equipment Co-Op (MEC), a Canadian retailer, “over the past eight years”.

[10] In support, attached to her affidavit, as Exhibits 7 through 11, are printouts from MEC’s website showing various HONEY GIRL swimwear products available for sale. Products displayed include “tankinis”, “swim shorts” and “bikini bottoms”. As evidence of sales, Ms. Ngum attaches six purchase order forms issued by the Registrant to MEC (at Exhibits 12 through 17). The purchase orders show sales of large quantities of swimwear and are all dated within the relevant period. As further evidence, at Exhibits 18 through 22, Ms. Ngum attaches a variety of documents relating to the aforementioned purchase orders between the Registrant and MEC, including a bill of lading, an exporter’s certification, and Canadian customs invoices.

[11] In addition to these bulk sales to MEC, Ms. Ngum states that the Registrant also sold the subject goods directly to customers. Attached to her affidavit as Exhibits 3 through 5 are webpage screen captures of the Registrant’s website, showing pictures of various HONEY GIRL swimwear products available for sale. These products include “halter”, “triangle”, “sport top”, “tankini top” and “sport-skirt set”.

[12] However, as evidence of sales to individual Canadian customers, she only provides a single invoice dated July 31, 2010 (at Exhibit 23). Ms. Ngum attests that this invoice evidences a sale from the Registrant to one of its “sales representatives who purchases directly from [the Registrant]”. Particularly, the invoice shows the purchase of four rash guards and two board shorts by an individual, Faye Banham. All of the goods are described as size “S” for small.

Swimwear

[13] With respect to the goods “swimwear”, Ms. Ngum’s assertion of use is supported by evidence of sales in the form of the exhibited invoices issued to MEC during the relevant period (Exhibits 17 to 21). Exhibits 18 to 22 provide confirmation that such goods were in fact shipped to Canada. As the evidence shows that the Mark was affixed to such goods via hang tags and labels (Exhibits 1 and 2), I am satisfied that the Registrant has demonstrated use of the Mark in association with “swimwear” within the meaning of sections 4 and 45 of the Act.

[14] However, for the reasons set out below, I am not satisfied that the Registrant has demonstrated use of the Mark in association with the registered “clothing” goods within the meaning of sections 4 and 45 of the Act.

Clothing

[15] At the oral hearing, the Requesting Party submitted that the Registrant did not establish use of the Mark in association with *each* of the registered goods [citing *John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)]. Specifically, the Requesting Party submits that, absent evidence of sales, use of the Mark in association with the various registered “clothing” goods was not established.

[16] In its written submissions and at the oral hearing, the Registrant submitted that section 45 proceedings do not require a registered owner to provide direct or documentary proof with respect to each and every good where the registration has been “logically and properly categorized” [citing *Saks & Co v Canada (Registrar of Trade-marks)* (1989), 24 CPR (3d) 49 (FCTD) and *Gowling Lafleur Henderson LLP v Neutrogena Corp* (2009), 74 CPR (4th) 153 (TMOB)].

[17] In *Saks*, as there were 28 distinct categories of goods and services, the Federal Court considered that furnishing evidence for all of the registered goods would have placed an unreasonable burden on the registered owner. In contrast, there are only two categories encompassing a total of five registered goods in the present case. As such, I do not consider it unreasonable to expect that the Registrant furnish particular evidence with respect to all of the registered goods. While I accept the exhibited hang tags and labels as representative of the manner of display of the Mark for all of the Registrant’s goods, I do not accept that the evidence of sales and transfers is representative.

[18] In particular, the Registrant should have furnished evidence of transfers of all of its registered goods, rather than relying on the large volume of evidence of sales with respect to “swimwear” and the inherently vague statement regarding sales of “merchandise” branded with the Mark in Canada, referenced above.

[19] Indeed, it would appear that while the Registrant sold its swimwear products through bulk sales to MEC during the relevant period, this was not the normal course of trade for its clothing goods. Rather, at best, such clothing goods appear to have only been sold directly to individual customers, either through the Registrant's website or by other means. As such, I cannot consider the Registrant's evidence of sales of its "swimwear" goods as representative with respect to the various "clothing" goods.

[20] Incidentally, while 19 of the 23 exhibits attached to Ms. Ngum's affidavit relate to the registered goods "swimwear", only Exhibit 23 clearly refers to clothing goods, specifically "rash guards" and "board shorts". None of the exhibits reference or depict "t-shirts" or "sweaters".

T-shirts and Sweat Shirts

[21] With respect to the clothing goods "t-shirts" and "sweat shirts", Ms. Ngum simply states that the Registrant "also sells swimsuits, board shorts, rash guards, t-shirts and sweatshirts to customers". However, none of the exhibited invoices show a sale of these goods and, as the Requesting Party noted, none of the numerous screen captures of the Registrant's website or MEC's website show that t-shirts and sweat shirts were made available for purchase in Canada. In fact, t-shirts and sweat shirts are not depicted or referenced in any of the exhibits.

[22] Accordingly, I agree with the Requesting Party that Ms. Ngum's statements with respect to t-shirts and sweat shirts amount to mere assertions and that the Registrant has failed to demonstrate use of the Mark in association with these goods within the meaning of sections 4 and 45 of the Act.

Board Shorts versus Swim Shorts

[23] With respect to board shorts, as noted above, the Registrant's sales to MEC included sales of "swim shorts" and both the Registrant's website and MEC's website depict products identified as "swim shorts".

[24] At the oral hearing, the Registrant submitted that no distinction should be made between "board shorts" and "swim shorts", indicating that the evidence of use for "swim shorts" supports the registration in association with "board shorts".

[25] However, the Requesting Party argued that “board shorts” and “swim shorts” are in fact different products and that nothing in the submitted evidence suggests that they are one in the same. Indeed, I note that, in addition to the different terminology, the style codes for the “board shorts” invoiced at Exhibit 23 do not correspond with the codes used on the exhibited MEC invoices for “swim shorts”. I agree with the Requesting Party that nothing in Ms. Ngum’s affidavit otherwise suggests that “swim shorts” are in fact “board shorts”.

[26] Having distinctly and separately categorized “swimwear” and “board shorts” in the statement of goods, the Registrant was obliged to furnish evidence with respect to “board shorts” [per *John Labatt, supra*]. As discussed below, however, I consider the Exhibit 23 invoice inadequate to support the registration in association with “board shorts”.

Board Shorts and Rash Guards

[27] With respect to board shorts and rash guards, Ms. Ngum attaches to her affidavit a single invoice at Exhibit 23, which itemizes four rash guards and two board shorts.

[28] The Requesting Party submitted that this invoice should be viewed as a token and/or internal sale since it was issued to an individual who Ms. Ngum identifies in her affidavit as a “sales representative” of the Registrant. As such, the Requesting Party submits that this invoice does not represent a transfer within the normal course of trade.

[29] The Registrant submitted that the invoice does, in fact, evidence the sale of rash guards and board shorts in the normal course of trade. In particular, the Registrant highlighted that the invoice shows that each item was purchased in one particular size, suggesting that the transaction was a genuine sale to a particular Canadian customer. The Registrant suggested that, had the invoice been for samples, the invoice would likely have reflected various items in various sizes.

[30] It is well established that evidence of a single sale *may* be sufficient to establish use of a trade-mark in the normal course of trade, depending on the circumstances surrounding the transaction [see *Ontario Inc v Eva Gabor International, Ltd et al* (2011), 90 CPR (4th) 277 (FC) and *Philip Morris Inc v Imperial Tobacco Ltd* (1987), 13 CPR (3d) 289 (FCTD)]. However, the

Federal Court, in *Guido Berlucci & C Srl v Brouillette Kosie* (2007), 56 CPR (4th) 401 (FC) at paragraph 20 stated that:

...if a registered owner chooses to produce evidence of a single sale, he is playing with fire in the sense that he must provide sufficient information about the context of the sale to avoid creating doubts in the mind of the Registrar or the Court that could be construed against him.

[31] Although Ms. Ngum provides details regarding its normal course of trade through bulk sales to MEC and potentially through the Registrant's website, the Exhibit 23 invoice does not appear to be a result of either course. Absent further details, it is difficult to conclude that this one invoice demonstrates a pattern of genuine commercial transactions with respect to the registered clothing goods [see *Philip Morris, supra*, at 293]. As such, it is not clear whether the invoice represents a transfer in the normal course of trade as contemplated by section 4(1) of the Act, or whether, for example, it was merely a one-time token sale to an employee. Accordingly, per *Plough*, I find that this ambiguity must be resolved against the Registrant.

[32] In view of the foregoing, I am satisfied that the Registrant has demonstrated use of the Mark in association with "swimwear" only within the meaning of sections 4 and 45 of the Act. Furthermore, with respect to the registered goods "clothing", there is no evidence of special circumstances excusing non-use of the Mark before me.

Disposition

[33] Accordingly, 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 second category of goods (2) in its entirety, "clothing, namely rash guards, t-shirts, sweat shirts, and board shorts". The amended statement of goods will be as follows: Swimwear.

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