



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

Citation: 2016 TMOB 78
Date of Decision: 2016-05-25

IN THE MATTER OF A SECTION 45 PROCEEDING

Barrette Legal Inc.

Requesting Party

and

Grace Foods Limited

Registered Owner

TMA152,875 for GRACE & Design

Registration

[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 22, 2013 to Grace Foods Limited (the Owner), the registered owner of registration No. TMA152,875 for the trade-mark GRACE & Design (the Mark), shown below:



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

- (1) Canned fruits, canned vegetables, canned fruit juices, canned lobster, frozen meats, jams and coffee.
- (2) Canned sausages.
- (3) Dried peas, beans, cornmeal and rice.
- (4) Fruit syrups.
- (5) Soft drinks.
- (6) Canned seafood.
- (7) Canned meat.
- (8) Tea, spices and sauces.
- (9) Dried Soups, soup mixes.

(10) Carbonated drinks namely mineral and aerated waters, concentrates and powders for use in making soft drinks.

(11) Fruit/vegetable juices namely orange, mango, passion fruit, cherry, coconut, carrot.

(12) Condiments namely crushed pepper, marinades.

(13) Coconut cream.

(14) Coconut milk.

(15) Instant oats.

(16) Canned soups; fruit punches/fruit sips, namely, tropical fruits; pasta; dairy products, namely, condensed milk, canned/powdered milk, processed cheese, milk based drinks, butter; condiments, namely, mustard, salad dressings, vinegars, seasonings, pickles, edible oils; preparations made from flour and cereals, namely, biscuits and cookies, bread, pastry; vegetable/fruit pastes and purees, namely, tomato, guava.

[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 November 22, 2010 and November 22, 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 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 Owner furnished the affidavit of Sarath Lucky Lakange, President of GraceKennedy (Ontario) Inc. (GKO), sworn on June 19, 2014 in Richmond Hill, Ontario. Only the Owner filed written representations; an oral hearing was not requested.

The Owner's Evidence

[7] In his affidavit, Mr. Lakange attests that GKO is an "importer, producer, and wholesale distributor of a wide variety of food products" and that it and the Owner are wholly-owned subsidiaries of Grace Kennedy & Company Limited (GKL).

[8] Mr. Lakange explains that, pursuant to a memorandum of agreement dated December 1983, the Owner has license agreements with both GKO and GKL. He states that, through these license agreements, the Owner exercised control over the quality of the goods sold in association with the Mark by GKO and GKL in Canada during the relevant period. In support, attached as Exhibit A to his affidavit are photocopies of the Owner's license agreements with GKO and GKL. In view of Mr. Lakange's statements and the exhibited license agreements, I am satisfied that any demonstrated use of the Mark by GKO or GKL enures to the benefit of the Owner pursuant to the licensing provisions set out in section 50 of the Act.

[9] With respect to the normal course of trade, Mr. Lakange attests that GKO sells a variety of food products in cans or bottles with labels bearing the Mark. He attests that GKO sells these GRACE-branded food products across Canada to a variety of retailers for resale to consumers. These retailers include small convenience stores as well as operators of large supermarkets, such as Loblaws, Sobeys, and Walmart. Mr. Lakange states that wholesale revenue from these food products over the course of the relevant period was: \$24,807,200 in 2011; \$28,940,717 in 2012; and \$31,440,956 in 2013.

[10] Mr. Lakange also attests that, during the relevant period, GKO advertised GRACE-branded food products in magazines and supermarket flyers.

[11] In support, Mr. Lakange attaches to his affidavit product photographs (Exhibit C), representative invoices showing sales during the relevant period to Canadian retailers (Exhibit D), and sample advertising (Exhibits E, F, and G).

[12] Tying these exhibits together, at Exhibit B, Mr. Lakange attaches a spreadsheet that identifies, lists, and categorizes examples of the GRACE-branded food products sold by GKO in Canada during the relevant period. The food products listed in the spreadsheet correspond with the exhibited photographs at Exhibit C and the invoices at Exhibit D.

[13] For example, in the spreadsheet, the category “WARES 2” is identified as “Canned Sausages”. Under this category, the product “GR SAUSAGE CHIC VIENNA 48x135g” is listed and identified by the product code “403509”. At Exhibit C, the photograph entitled “WARES 2 (Canned Sausages)” shows a can of Grace Chicken Vienna Sausages. The Mark is prominently displayed on the depicted can. At Exhibit D, some of the invoices show sales of Grace Chicken Vienna Sausage, identified by the same product code. A handwritten note next to such listings identifies it as “WARES 2”.

[14] For the most part, the categories listed on the Exhibit B spreadsheet correspond directly with the registered goods. The exceptions are as follows:

- For category “WARES 1”, all of goods (1) is identified, namely “Canned fruits, canned vegetables, canned fruit juices, canned lobster, frozen meats, jams and coffee.” However, only one food product is listed as being sold within this category, namely “GR. ACKEE 24x540g” (product code 404779). At Exhibit C, the photograph entitled “WARES 1” only shows a can of Grace Ackees, which appears to be a type of “canned fruits”. Similarly, at Exhibit D, the only product identified by the handwritten note “WARES 1” is Grace Ackees.
- For category “WARES 10”, the goods are identified only as “Carbonated drinks (mineral and altered [*sic*] waters)”. The registered goods “concentrates and powders” from goods (10) are not included. Indeed, the only example of a product sold under this category is identified as “GRACE MALTA 24/341mL” (with product code 406278). At Exhibit C, the photograph entitled “WARES 10 (Carbonated Drinks)” only shows a bottle of Grace

Malta and, at Exhibit D, the only product identified with a handwritten note “WARES 10” is Grace Malta.

- Similarly, for category “WARES 16”, the goods are identified only as “Edible oils, dairy products, purees”. The remaining registered goods listed in (16) are not included. Indeed, the only examples of food products sold under this category are identified as “GRACE VIRGIN COCONUT OIL 6x500ML” (product code 414714), “GRACE CONDENSED MILK 24/300ML” (product code 406560), and “GRACE GUAVA JELLY (CND) 24x340g” (product code 40734). At Exhibit C, the photograph entitled “WARES 16 (Edible Oil)” only shows a jar of Grace Virgin Coconut Oil. At Exhibit D, the only products identified by the handwritten note “WARES 16” are Grace Virgin Coconut Oil, Grace Condensed Milk, and Grace Guava Jelly.

Furthermore, although Exhibit B identifies the WARES 16 category as “Edible oils, dairy products, purees”, I note that “dairy products” and “purees” are both further specified in the registration.

Analysis

[15] With the exception of some of the registered goods listed in goods (1), (10) and (16), discussed below, the evidence provided in this case is detailed and clear. In view of his statements and the corresponding photographs and invoices, I am satisfied that Mr. Lakange’s affidavit shows transfers in the normal course of trade in Canada during the relevant period of the following registered goods in association with the Mark:

- (1) Canned fruits.
- (2) Canned sausages.
- (3) Dried peas, beans, cornmeal and rice.
- (4) Fruit syrups.
- (5) Soft drinks.
- (6) Canned seafood.
- (7) Canned meat.
- (8) Tea, spices and sauces.
- (9) Dried Soups, soup mixes.
- (10) Carbonated drinks namely mineral and aerated waters.
- (11) Fruit/vegetable juices namely orange, mango, passion fruit, cherry, coconut, carrot.
- (12) Condiments namely crushed pepper, marinades.

- (13) Coconut cream.
- (14) Coconut milk.
- (15) Instant oats.
- (16) Dairy products, namely, condensed milk; edible oils; vegetable/fruit purees, namely, guava.

[16] In this respect, Mr. Lakange's assertion that these goods were sold in association with the Mark during the relevant period is supported in each case by photographs of the packaging of the goods (Exhibit C) and the evidence of sales as set out in Exhibits B and D.

[17] In particular, for goods (1), I accept that the demonstrated sales of Grace Ackees correspond with the registered good "canned fruits". For goods (10), I accept that the demonstrated sales of Grace Malta corresponds to the registered good "Carbonated drinks namely mineral and aerated waters". For goods (16), I accept that the demonstrated sales of Grace Virgin Coconut Oil corresponds to the registered good "edible oils"; that Grace Condensed Milk corresponds to "dairy products, namely, condensed milk", and that Grace Guava Jelly corresponds to "vegetable/fruit purees, namely, guava".

[18] Accordingly, I am satisfied that the Owner has demonstrated use of the Mark in association with such goods within the meaning of sections 4 and 45 of the Act.

Goods (1) – canned vegetables, canned fruit juices, etc.

[19] With respect to goods (1), it would appear that given Mr. Lakange's description of the "WARES 1" category at Exhibit B, he asserts use with respect to all such goods. However, as noted above, only one food product, Grace Ackees, is listed under this category as having been sold during the relevant period. As noted above, Grace Ackees appears to correspond with the registered goods "canned fruits".

[20] Having distinguished particular goods in the registration, the Owner must provide some evidence with respect to each of the listed goods accordingly [per *John Labatt Ltd v Rainer Brewing Co et al* (1984), 80 CPR (2d) 228 (FCA)]. However, in reviewing the evidence as a whole, I am unable to identify any food products that correspond with any registered goods listed in (1) other than "canned fruit".

[21] Accordingly, I am not satisfied that the Owner has demonstrated use of the Mark in association with the following goods within the meaning of sections 4 and 45 of the Act: canned vegetables, canned fruit juices, canned lobster, frozen meats, jams and coffee. Furthermore, the Owner provided no evidence of special circumstances excusing the absence of such use.

Goods (10) – Concentrates and Powders

[22] As noted above, the category “WARES 10” at Exhibit B is identified only as “Carbonated drinks (mineral and altered [*sic*] waters)”. Based on Mr. Lakange’s statements, that description corresponds with his assertion of use. Therefore, it is at best not clear that Mr. Lakange even asserts use of the Mark in association with the remaining goods listed in (10), namely, “concentrates and powders for use in making soft drinks”. Indeed, throughout the exhibits, only one product, Grace Malta, is identified as associated with this category. Further, I am unable to identify any products in the exhibits that correspond with the registered goods “concentrates and powders for use in making soft drinks”.

[23] Accordingly, I am not satisfied that the Owner has demonstrated use of the Mark in association with “concentrates and powders for use in making soft drinks” within the meaning of sections 4 and 45 of the Act. Furthermore, the Owner furnished no evidence of special circumstances excusing the absence of such use.

Goods (16) – Canned soups, etc.

[24] Likewise, category “WARES 16” at Exhibit B is identified only as “Edible oils, dairy products, purees”. Throughout the exhibits, only three food products – Grace Virgin Coconut Oil, Grace Condensed Milk, and Grace Guava Jelly – are identified with this category.

[25] Although Mr. Lakange appears to assert use in association with “dairy products” generally, having distinguished particular dairy products in the statement of goods, the Owner must furnish some evidence with respect to each of the named dairy product goods [per *John Labatt, supra*]. Here, the evidence with respect to “dairy products” is limited to condensed milk.

[26] Similarly, while Mr. Lakange appears to assert use of the Mark in association with “purees” generally, the Owner must provide evidence with respect to tomato purees and guava purees as specified in the registration. Here, the evidence is limited to guava purees.

[27] Furthermore, I am unable to identify any food products in the exhibits that correspond with the registered goods listed in (16) other than: dairy products, namely, condensed milk; edible oils; and vegetable/fruit purees, namely, guava. For example, there is no reference to canned soups anywhere in the exhibits. Similarly, in contrast to the evidence with respect to guava *purees*, there is no reference to vegetable/fruit *pastes* (guava or tomato) anywhere in the exhibits.

[28] Accordingly, I am not satisfied that the Owner has demonstrated use of the Mark in association with the remaining goods listed in (16) within the meaning of sections 4 and 45 of the Act. Again, the Owner provided no evidence of special circumstances excusing the absence of such use.

Disposition

[29] In view of all of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act and in compliance with section 45 of the Act, the registration will be amended to delete the following from the statement of goods:

- (1) ... canned vegetables, canned fruit juices, canned lobster, frozen meats, jams and coffee.
- (10) ... concentrates and powders for use in making soft drinks.
- (16) Canned soups; fruit punches/fruit sips, namely, tropical fruits; pasta; ..., canned/powdered milk, processed cheese, milk based drinks, butter; condiments, namely, mustard, salad dressings, vinegars, seasonings, pickles, ...; preparations made from flour and cereals, namely, biscuits and cookies, bread, pastry; ... pastes and ... tomato, ...

[30] The amended statement of goods will read as follows:

- (1) Canned fruits.
- (2) Canned sausages.
- (3) Dried peas, beans, cornmeal and rice.
- (4) Fruit syrups.
- (5) Soft drinks.
- (6) Canned seafood.

- (7) Canned meat.
- (8) Tea, spices and sauces.
- (9) Dried soups, soup mixes.
- (10) Carbonated drinks namely mineral and aerated waters.
- (11) Fruit/vegetable juices namely orange, mango, passion fruit, cherry, coconut, carrot.
- (12) Condiments namely crushed pepper, marinades.
- (13) Coconut cream.
- (14) Coconut milk.
- (15) Instant oats.
- (16) Dairy products, namely, condensed milk; edible oils; vegetable/fruit purees, namely, guava.

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

**TRADE-MARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

No Hearing Held

AGENTS OF RECORD

Blake, Cassels & Graydon LLP

For the Registered Owner

Barrette Legal Inc.

For the Requesting Party