



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

**Citation: 2012 TMOB 15**  
**Date of Decision: 2012-01-25**

**IN THE MATTER OF SECTION 45 PROCEEDINGS  
requested by Dean Palmer IP Law IProperty Inc. against  
registration Nos. TMA170,477, TMA256,026 and  
TMA256,027 for the trade-marks BIG STEEL, BIG  
STEEL MAN and BIG STEEL HOMME in the name of  
Fairweather Ltd.**

[1] At the request of Dean Palmer IP Law IProperty Inc. (the Requesting Party), the Registrar of Trade-marks issued notices under s. 45 of the *Trade-marks Act* R.S.C. 1985, c. T-13 (the Act) to Fairweather Ltd., the registered owner of registration No. TMA170,477 for the trade-mark BIG STEEL, registration No. TMA256,026 for the trade-mark BIG STEEL MAN and registration No. TMA256,027 for the trade-mark BIG STEEL HOMME (the Marks).

[2] With respect to BIG STEEL, the section 45 notice issued on October 15, 2009; the mark is registered for use in association with the following wares:

- (1) Men's slacks, suits and coats.
- (2) Ladies' slacks, skirts, blouses, shirts, hose, sweaters, suits, dresses, coats, shoes, belts, hats, gloves, scarves.
- (3) Men's sweaters, jackets, vests, raincoats, hats, caps, belts, ties, shoes, shorts, leather coats and jackets and jewellery.
- (4) Ladies' raincoats, smocks, lingerie, pant suits, leather coats and jackets, shorts, caps, swimwear and jewellery.

BIG STEEL is also registered for use in association with the following services:

- (1) Operation of a credit card charge system whereby customers of designated retail stores may purchase goods on credit; and the provision of charge account services to customers of designated retail stores.

[3] With respect to BIG STEEL MAN and BIG STEEL HOMME, the section 45 notices issued on October 22, 2009 and October 20, 2009, respectively. Both marks are registered for use in association with the following wares: Men's slacks, suits and coats; ladies' slacks, skirts, blouses, shirts, hose, sweaters, suits, dresses, coats, shoes, belts, hats, gloves, scarves.

[4] 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 wares and services 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 use since that date. In this case, the relevant period for showing use with respect to BIG STEEL is between October 15, 2006 and October 15, 2009; with respect to BIG STEEL MAN it is between October 22, 2006 and October 22, 2009; with respect to BIG STEEL HOMME it is between October 20, 2006 and October 20, 2009.

[5] The definition of "use" is set out in section 4 of the Act:

4. (1) A trade-mark is deemed to be used in association with wares if, at the time of the transfer of the property in or possession of the wares, in the normal course of trade, it is marked on the wares themselves or on the packages in which they are distributed or it is in any other manner so associated with the wares that notice of the association is then given to the person to whom the property or possession is transferred.

(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.

(3) A trade-mark that is marked in Canada on wares or on the packages in which they are contained is, when the wares are exported from Canada, deemed to be used in Canada in association with those wares.

[6] Pursuant to s. 45(3) of the Act, in the absence of use as defined above, a trade-mark is liable to be expunged unless the absence of use has been due to special circumstances excusing such absence.

[7] In response to the Registrar's notice, the Registrant filed affidavits of Paul Brener, Secretary/Treasurer of the Registrant and Vice-President of Finance and Administration with International Clothiers Inc., a licensee of the Registrant. Both parties filed written representations; an oral hearing was not requested.

[8] I note that the affidavits furnished in response to each notice are identical and that the Registrant makes no allegation of use of the Marks during the relevant periods. Accordingly, the only issue to consider is whether there were any special circumstances excusing such non-use.

[9] Generally, a determination of whether there are special circumstances that excuse non-use involves consideration of three criteria, as set out in *Canada (Registrar of Trade Marks) v. Harris Knitting Mills Ltd.* (1985), 4 CPR (3d) 488 (FCA); the first is the length of time during which the mark has not been in use, the second is whether the reasons for non-use were beyond the control of the registered owner and the third is whether there exists a serious intention to shortly resume use.

[10] In deciding whether the reasons for non-use are due to circumstances beyond the owner's control, there must be a finding of "circumstances that are unusual, uncommon or exceptional" [*John Labatt Ltd. v. Cotton Club Bottling Co.* (1976), 25 CPR (2d) 115 (FCTD) at p. 123]. The decision in *Smart & Biggar v. Scott Paper Ltd.* (2008), 65 CPR (4th) 303 (FCA) offered further clarification with respect to the interpretation of the second criterion, with the determination that this aspect of the test *must* be satisfied in order for there to be a finding of special circumstances excusing non-use of a mark. In other words, the other two factors are relevant but, considered by themselves in isolation, they cannot constitute special circumstances. Further, the intent to resume use must be substantiated by the evidence [*Arrowhead Spring Water Ltd. v. Arrowhead Water Corp.* (1993), 47 CPR (3d) 217 (FCTD); *NTD Apparel Inc. v. Ryan* (2003), 27 CPR (4th) 73 (FCTD)].

[11] With respect to the second criterion, Mr. Brener states in his affidavits that the Registrant acquired the Marks in 2002 from the court-ordered receiver for the former owner, Dylex Diversified Limited. As part of this transaction, the Registrant acquired several other trade-marks as well as over 70 stores employing more than 500 individuals. Mr. Brener attests that since acquiring these assets, "considerable work has been required...in order to manage and revitalize the trade-marks, stores and other assets". As a result, the Registrant "was delayed in its launch" of the BIG STEEL, BIG STEEL MAN and BIG STEEL clothing brands. Mr. Brener states, however, that shortly prior to the issuance of the section 45 notices against the subject registrations, the Registrant decided that it would re-launch the brands in the fall of 2009.

[12] I would note that the Registrant provides no detail regarding the “considerable work” undertaken during the period of non-use. Instead, Mr. Brener emphasizes that the Marks “have always been of considerable importance and interest” to the Registrant and that the Marks “are commercially important brands that have acquired significant goodwill with Canadian consumers”.

[13] In its written representations, the Requesting Party submits that the only reason for non-use provided by the Registrant was that the owner needed time to re-launch the brands. In other words, it was a deliberate decision of the Registrant to not use the Marks during that period. I would agree with this characterization and, per *Harris Knitting Mills, supra* at page 493, it is difficult to see why an absence of use due solely to a deliberate decision by the owner of a trade-mark would be excused. In this respect, I note the following observation by Thurlow J. in *Plough (Canada) Ltd. v. Aerosol Fillers Inc.* (1980), 53 CPR (2d) 62 (FCA) at paragraph 10:

There is no room for a dog in the manger attitude on the part of registered owners who may wish to hold on to a registration notwithstanding that the trade mark is no longer in use at all or not in use with respect to some of the wares in respect of which the mark is registered.

[14] As the Registrant has failed to demonstrate that the reasons for non-use of the Marks were beyond its control, I will comment on the first and third criteria of the *Harris Knitting Mills* test only briefly.

[15] With respect to the first criterion, the period of non-use of the Marks is approximately eight years, which the Requesting Party properly describes as “substantial”. Noting that the Registrant has failed to detail its activities during that period, in any event, it is difficult to see how such a lengthy period of time would be excusable regardless of the circumstances.

[16] With respect to its intention to resume use of the Marks in Canada, the Registrant provides some evidence of sales of men’s shirts and the display of two external retail store signs shortly after receipt of the section 45 notices. As the Requesting Party notes, however, these activities do not actually correspond with the wares and services as registered. The only clear statement provided by Mr. Brener in this respect is that “sales of all the different types of clothing items covered by these trade-mark registrations will be sold in Canada in connection

with these marks in 2010”. However, I consider this statement to be vague and insufficient; no further timeline is provided and no evidence of concrete steps to resume use of the Marks in association with the wares as registered was submitted. Absent details regarding the manner of resumption, I cannot conclude that the Registrant has provided sufficient evidence demonstrating a serious intention to resume use of the Marks in Canada.

[17] Given these findings, I must conclude that the Registrant has not demonstrated special circumstances to justify non-use of the Marks during the relevant periods within the meaning of s. 45(3) of the Act.

[18] In view of all of the foregoing, I am not satisfied that there was use of the Marks with respect to any of the registered wares and services within the meaning of s. 45 and s. 4 of the Act, there being no special circumstances excusing such non-use.

[19] Accordingly, pursuant to the authority delegated to me under s. 63(3) of the Act, the registrations will be expunged in compliance with the provisions of s. 45 of the Act.

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