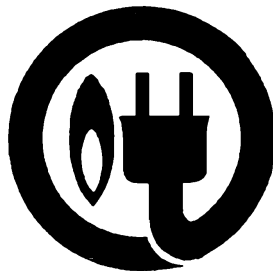


**SECTION 45 PROCEEDINGS
TRADE-MARK: PLUG & FLAME DESIGN
REGISTRATION NO.: TMA 181,806**

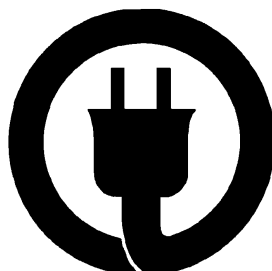
On June 12, 1998, at the request of Messrs. MacLeod Dixon, the Registrar forwarded a Section 45 notice to Alberta Power Limited (now Atco Electric Ltd. through a change of name that occurred on April 23, 1999), the registered owner of the above-referenced trade-mark registration.

The trade-mark PLUG & FLAME Design (shown below) is registered for use in association with the following services: “the services incidental to the distribution and sale of electrical energy and natural gas”.



In response to the notice, the registrant furnished the affidavit of David Jones together with exhibits. Each party filed a written argument. An oral hearing has not been requested in this case.

From the evidence furnished, it is clear that the trade-mark as registered was not in use in Canada at any time during the relevant period. What the evidence shows is that Alberta Power Limited has been using the trade-mark reproduced below in association with the services incidental to the distribution and sale of electrical energy:



As can be seen, the “flame” portion of the registered mark has been omitted in the mark as used.

The issue then is whether the use of such mark constitutes use of the registered trade-mark.

In considering the issue I had regard to the case *Nightingale Interloc Ltd. v. Prodesign Ltd.*, 2 C.P.R. (3d) 535, and in particular Principle 2, page 538:

Principle 2: A particular trade-mark will be considered as being used if the trade-mark actually used is not substantially different and the deviations are not such as to deceive or injure the public in any way. . . . This principle would appear to be justifiable on the basis that in view of the realities of the commercial world it is unreasonable to expect that the trade-marks and especially design trade-marks will always be used exactly in the form registered. . . . In general, however, this principle would appear applicable only where the variations are very minor. (emphasis added)

In the case *Munsingwear Inc. v. Promafil Canada Ltd.*, 44 C.P.R. (3d) 59 (F.C.A.), the Court dealt with a situation falling within the scope of that principle. At page 71, it stated:

Obviously, with every variation the owner of the trade-mark is playing with fire. In the words of MacLean P., “the practice of departing from the precise form as registered . . . is very dangerous to the registrant”. But cautious variations can be made without adverse consequences if the same dominant features are maintained and the differences are so unimportant as not to mislead an unaware purchaser. (emphasis added)

Or, as stated in the *Nightingale* case, the differences must be very minor.

In the present case, I consider the change to the trade-mark to be very significant and more than minor as the mark shown to be in use omits the “flame design” which is a dominant element of the registered trade-mark. Consequently, all of the dominant features of the registered mark have not been maintained and this results in a a change that is more than minor. Consequently, I conclude that the use shown does not constitute use of the registered mark.

The evidence also shows that the registrant’s new trade-mark is sometimes used with a trade-

mark of Northwestern Utilities Limited, consisting of the design of a flame in a circle forming the letters NU such trade-mark being identified in the affidavit as the NU design trade-mark. In its written argument, the registrant submits that there has been continued use of the dominant features of the present registered mark, the dominant features of the mark being used separately but in joint initiatives. However, the use separately of the dominant features of the present trade-mark does not consist in the use of one trade-mark but of two distinct trade-marks. Further, the evidence shows that the NU design trade-mark is a trade-mark owned by a third party and not by the registrant and that it is used by such third party, the third party's name always being identified in association with such trade-mark.

As I have concluded that the evidence fails to show use of the registered trade-mark, the next issue is whether the absence of use has been due to special circumstances that excuse the non-use.

I totally agree with the requesting party that the evidence fails to show that the absence of use has been due to special circumstances that excuse the absence of use.

From the Jones affidavit, it would appear that the trade-mark has not been used since at least 1972, the year the natural gas assets of Northland Utilities Limited (the original owner of the trade-mark) were transferred to Northwestern Utilities Limited and the electric assets to Alberta Power Limited. The evidence also shows that in 1972 the registrant adopted the plug design without the flame, and it has been using such trade-mark since that date. Consequently, from the evidence, it is clear that Alberta Power Limited never used the present trade-mark and never had an intention to use such trade-mark prior to the date of the notice.

Mr. Jones does state that a new entity may be created to provide retail sales of both gas and electric energy to consumers and such entity may consider utilizing in the near future the trade-mark as registered. However, the fact that a new entity may consider using the trade-mark as registered sometime in the future is not relevant and is of no help to the registrant.

What is clear, is that the trade-mark has never been used by the registered owner and the registered owner has never taken any steps prior to the notice date to use the trade-mark as registered.

In view of the above, I conclude that as the absence of use has not been shown to have been due to special circumstances excusing the absence of use, the trade-mark registration ought to be expunged.

Registration No. TMA 181,806 will be expunged in compliance with the provisions of Section 45(5) of the Trade-marks Act.

DATED AT HULL, QUEBEC THIS 23rd DAY OF November, 1999.

D. Savard
Senior Hearing Officer
Section 45