

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

Citation: 2015 TMOB 83 Date of Decision: 2015-04-30

IN THE MATTER OF A SECTION 45 PROCEEDING requested by Titan Capital Ventures Inc. against registration No. TMA653,450 for the trade-mark TITAN Design in the name of Titan Construction, Inc., a corporation existing under the laws of the State of Delaware

[1] This is a decision involving a summary expungement proceeding with respect to registration No. TMA653,450 for the trade-mark TITAN Design shown below (the Mark), owned by Titan Construction, Inc., a corporation existing under the laws of the State of Delaware.



- [2] The Mark is registered for use with the following services:
 - (1) Construction services, namely retail construction management (the Services).
- [3] For the reasons that follow, I conclude that the registration ought to be maintained.

The Proceeding

- [4] On June 4, 2013, the Registrar of Trade-marks sent a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) to Titan Construction, Inc. (the Registrant). The notice was sent at the request of Titan Capital Ventures Inc. (the Requesting Party).
- [5] The notice required the Registrant to furnish evidence showing that it had used the Mark in Canada, at any time between June 4, 2010 and June 4, 2013, in association with the Services. If the Mark had not been so used, the Registrant was required to furnish evidence providing the date when the Mark was last in use and the reasons for the absence of use since that date.
- [6] Section 4(2) of the Act provides that 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. It has been held that section 4(2) contemplates that the services advertised in Canada be performed in Canada [*Porter v Don the Beachcomber* (1996), 48 CPR 280 (Ex Ct)]. However, it has also been held that section 4(2) of the Act may be complied with if it is shown that the trade-mark owner is offering and is prepared to perform the services in Canada [*Wenward (Canada) Ltd v Dynaturf Co* (1976), 28 CPR (2d) 20 (RTM)].
- [7] It is well established that the purpose and scope of section 45 of the Act is to provide a simple, summary, and expeditious procedure for clearing the register of "deadwood". The burden on the registrant is not a heavy one; all the registrant has to do is establish a *prima facie* case of use [see *Austin Nichols & Co v Cinnabon, Inc* (1998), 82 CPR (3d) 513 (FCA) at 525]. However, the registrant must show, rather than merely state, use of the trade-mark [see *Plough (Canada) Ltd v Aerosol Fillers Inc* (1980), 53 CPR (2d) 62 (FCA)].
- [8] In response to the Registrar's notice, the Registrant provided the affidavit of Christopher Sander, sworn on August 30, 2013, together with Exhibits A through G.
- [9] Both parties filed written submissions. Neither party requested an oral hearing.

The Evidence

- [10] In his affidavit, Mr. Sander indicates that he is the President of the Registrant and its wholly owned Canadian subsidiary, 3832902 Canada Inc. Mr. Sander states that both the Registrant and its Canadian subsidiary provide the Services which he describes as building out the retail spaces of retailers according to their specifications.
- [11] Mr. Sander states that the Registrant entered into a license agreement with its Canadian subsidiary (the Licensee) pursuant to section 50 of the Act. He states that the Registrant granted the Licensee the right to use the Mark throughout Canada, in accordance with the terms and conditions of a license agreement dated February 15, 2005. Mr. Sander also attests that the Mark has been used continuously in Canada by the Licensee in association with the Services since at least as early as June 2004.
- [12] In support of his above-noted attestation of use of the Mark, Mr. Sander provides the following:
 - Exhibit B a copy of an invoice dated September 1, 2012, bearing the Mark, which
 he attests was issued in respect of the construction and build out of a retail store in
 Alberta. The invoice indicates it was for costs incurred to:
 - "Have electrician investigate "loud noise" after mall power was restored after blackout. Electrician replaced battery backup damaged by power surge..."
 - Exhibit C a copy of a business card in which the Mark is prominently displayed.
 Mr. Sander attests the Licensee used an identical card continuously during the relevant period.
 - Exhibits D through F copies of photographs of a baseball cap, a polo shirt and a T-shirt respectively, all bearing the Mark. Mr. Sander attests these items were worn by the Licensee's employees and sub-contractors during the relevant period.
 - Exhibit G a copy of a sub-contractor list bearing the Mark, issued by the Licensee on June 24, 2013 to its customers and sub-contractors.

Analysis and Reasons for Decision

- [13] The Requesting Party submits that the evidence provided does not establish that the Mark was used in association with the Services listed in the registration in Canada during the relevant time period, nor does it establish reasons excusing such non-use.
- [14] To begin with, the Requesting Party submits that the Sander affidavit does not provide any reliable evidence that the Mark is used under license by the Registrant. In this regard, the Requesting Party notes that no license agreement was provided, and the Sander affidavit is silent as to whether the Registrant has control over the character or quality of the services of the purported license.
- [15] However, under section 45 of the Act, it is well settled that the filing of a copy of the license agreement is not mandatory as long as the evidence establishes that the Registrant has control over the character and quality of the services associated with the trade-mark [see *Gowling, Strathy and Henderson v Samsonite Corp* (1996), 66 CPR (3d) 560 and *Mantha & Associés/Associates v Central Transport Inc* (1995), 64 CPR (3d) 354]. In the present case, Mr. Sander has sworn that the Registrant entered into a license agreement with the Licensee pursuant to section 50 of the Act. In any event, where, as here, the same person is the President of the Registrant and the Licensee, it is reasonable to infer that a license exists in which the requisite control over the character and quality of the services is exercised [*Petro-Canada v 2946661 Canada Inc.* (1998), 83 CPR (3d) 129 (FCTD) at 139; *Lindy v Canada (Registrar of Trade Marks)*, 1999 CarswellNat 652 (FCA) at para 9].
- [16] In addition to the aforementioned, the Requesting Party submits the affiant does not explain in any detail the nature of the business carried out by the Registrant nor does he provide any indication of how the services listed on the invoice in Exhibit B fall within the parameters of retail construction management services. In this regard, the Requesting Party submits that "construction management" is generally understood to mean "the overall planning, coordination, and control of a project from beginning to completion," and "is aimed at meeting a client's requirement in order to produce a functionally and financially viable project." However, the Requesting Party submits, the invoice at Exhibit B, describes the services as "have electrician investigate "loud noise" after mall power was restored after blackout. Electrician replaced

battery backup damaged by power surge [back-up attached]." The Requesting Party submits that the affidavit must be considered from the point of view of what it does not say [per Aerosol Fillers, supra], and that the Registrar cannot make assumptions and cannot be expected to know the nature of the Registrant's business [citing SC Johnson & Son Inc v Registrar of Trade Marks (1981), 55 CPR (2d) 34 (FCTD)]. In the present case, the Requesting Party submits, there is not sufficient and reliable evidence of use of the Mark in association with the registered Services in Canada in the normal course of trade; thus, the Registrar ought to conclude that no such use took place during the relevant time period.

- [17] In any event, the Requesting Party submits, the invoice in Exhibit B is not evidence of use of the Mark in Canada. More specifically, the Requesting Party submits that while services may have been performed in Canada, the invoice was issued by an American company to another American company.
- [18] I note that Mr. Sanders makes a sworn statement at paragraph 8(b) of his affidavit that the invoice was issued "in respect of the construction and build out of a True Religion Brand Jeans retail store in the West Edmonton Mall [...]." Although it is true that the invoiced services pertain to work conducted by an electrician, in my view, this is not inconsistent with Mr. Sander's sworn statement; a statement which ought to accorded substantial credibility [Rubicon Corp v Comalog Inc (1990), 33 CPR (3d) 58 (TMOB)]. Indeed, construction involves a myriad of skilled trades, including the services of an electrician. While I agree that the invoice does not reflect all facets of the registered Services, I accept that it is a snapshot of specific services that are part and parcel of the registered Services, namely electrical work conducted during the construction and build out of the above-noted retail store. In view of the aforementioned, I accept that the invoice at Exhibit B is evidence that the registered Services were performed in Canada during the relevant period.
- [19] However, while I accept the invoice as evidence that the registered Services were rendered in Canada (at a retail store in Edmonton), I agree with the Requesting Party's submission that the invoice is not evidence of display of the Mark in Canada in the performance of such Services. Indeed, the invoice indicates that it was dispatched from one U.S. address to another.

- [20] The remaining evidence consists of a business card (Exhibit C), photographs of a variety of apparel (Exhibits D-F), and a contractor list (Exhibit G). I will consider each in turn, having regard to the Requesting Party's submissions, and whether such evidence enables me to conclude that the Mark was displayed in the performance or advertising of the Services in Canada.
- [21] The Requesting Party submits that the affiant does not explain in any detail the circumstances in which the business cards were distributed, how many business cards would have been distributed during the relevant time period, to whom the business cards were distributed, or when the business cards were distributed. Furthermore, the business card does not provide any information about the services offered by the Registrant. The Requesting Party submits that the business cards therefore fail to establish use in the manner prescribed by section 4(2) of the Act.
- [22] Business cards can be evidence of advertisement of services [*Tint King of California v Canada (Registrar of Trademarks)* (2006), 2006 FC 1440, 56 CPR (4th) 223 (FC)]. However, where there are no indicia of the relevant services on the card and the affiant does not attest to the circumstances in which the business cards were used, business cards alone will not be sufficient to demonstrate use of a mark in association with services [see *Stikeman & Elliott v Living Realty Inc.* (2000), 10 CPR (4th) 410 (TMOB)].
- [23] In the present case, as submitted by the Requesting Party, there are no indicia of the Registrant's services on the business cards. Additionally, while Mr. Sander states the business cards were used continuously by the Licensee, he does not state to whom the business cards were distributed or the circumstances in which they were distributed. Absent further evidence, I cannot infer that the business cards demonstrate the Mark was used during the performance or in the advertising of the services during the relevant period [Faskin Martineau DuMoulin LLP v Bell Canada (2009) 74 CPR (4th) 475 (TMOB)].
- [24] With respect to the items of apparel bearing the Mark (Exhibit D-F), the Requesting Party submits that the affiant does not explain in any detail whether the Licensee's employees and subcontractors were required to wear these clothing items during the performance of the Services in Canada or whether these were merely promotional gifts given to the Licensee's employees and subcontractors. Further to this, the Requesting Party submits that there are no details as to the

number of these clothing items that were distributed in Canada, or if the clothing items were given to all employees and sub-contractors and there are no dates on the photos or supporting documentation to show that these clothing items were purchased during the relevant time period. In summary, the Requesting Party submits the Sander affidavit contains no specifics with respect to the dates, times, places or any evidence that these items were worn during the performance of the Services in Canada during the relevant time frame.

- [25] However, Mr. Sanders clearly attests in paragraphs 8(c) to (e) of his affidavit, that these items were worn by the Licensee's employees and subcontractors during the relevant time period. While he does not explicitly state that the items were worn by these employees and subcontractors *during the performance of the Services*, I am prepared to infer that they were, as otherwise, it begs the question as to why one would provide uniforms to employees. Thus, I accept that the items of apparel as shown in Exhibits D-F, bearing the Mark and clearly attested to by Mr. Sanders as having been worn by the Licensee's employees and subcontractors during the relevant period, are evidence of display of the Mark in the performance of the Services; such Services that I have already concluded were indeed performed.
- [26] As I have already concluded that the Mark was displayed in the performance of the Services, and that such Services were performed in Canada during the relevant period, I need not consider the sub-contractor list in Exhibit G. I would comment however, that insofar as this document could be considered as evidence of use of the Mark pursuant to section 4(2) of the Act, I note that in any event, as the Requesting Party has pointed out, the list was issued by the Licensee outside of the relevant period on June 24, 2013. Thus, it would not constitute evidence of use of the Mark during the relevant period.

Disposition

[27] Having regard to the above, pursuant to the authority delegated to me under section 63(3) of the Act, registration No. TMA653,450 will be maintained in compliance with the provisions of section 45 of the Act.

Kathryn Barnett Hearing Officer Trade-marks Opposition Board Canadian Intellectual Property Office