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Consumer and Corporate Affairs Canada

**OCT 181988**

Messrs. Blake, Cassels & Graydon  
Intellectual Property Group  
26th Floor, P.O. Box 25  
Commerce Court West  
Toronto, Ontario.  
MSL 1A9

*Votre reference*  
*Your file*  
36472/00054 DND  
*Notre reference*  
*Our file*  
301,980

Messieurs,

Sujet: PROCÉDURES SELON L'ARTICLE 44  
Enregistrement No. TMA153,077  
Marque de commerce: BENEFACTS

Veillez trouver ci-joint la  
décision du Registraire au sujet de  
l'affaire précitée.

Bien a vous,

Gentlemen,

Re: SECTION 44 PROCEEDINGS  
Registration No. TMA153,077  
Trade Mark: BENEFACTS

Please find herewith the  
Registrar's decision in the above  
matter.

Yours truly,

(J.P. D'Aoust  
le REGISTRAIRE DES MARQUES DE  
for REGISTRAR OF TRADE MARKS  
COMMER  
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Messrs. Perley-Robertson,  
Panet, Hill & McDougall,  
99 Bank Street,  
Ottawa, Ontario.  
KIP 6C1.

*Votre reference  
Your file*

BENF 001  
TCAN

*Notre  
reference Our  
file*  
301,980

Gentlemen:

Re: SECTION 44 PROCEEDINGS  
Registration No. TMA 153,077  
Trade Mark: BENEFACTS

At the request of Messrs. Blake, Cassels & Graydon, the Registrar issued a s.44 Notice dated January 28, 1987 to Benefact Inc., of Baltimore, Maryland, the registered owner of the above referenced trade mark registration.

The mark BENEFACTS was registered on September 15, 1967 for use in association with the services of analyzing employee benefit plans, and programming information with respect thereto by electronic data processing.

In response to the Registrar's Notice, a Canadian company incorporated under the name of Alexander Consulting Group Limited, furnished the affidavit of its Vice-President, Mr. Walter Zubowsky, along with exhibits A through E thereto. Further to the filing of this evidence, the requesting party filed a written submission to which counsel for the registrant responded by requesting an oral hearing. A hearing was held on September 20, 1988 at which the registrant only was represented, the requesting party having informed the Registrar it did not wish to attend.

In his affidavit, Mr. Zubowsky informs the Registrar that further to the diversification and reorganization of Alexander & Alexander Services Inc., a Maryland company, his company Alexander Consulting Group Limited was granted the exclusive rights in Canada to the trade mark BENEFACTS, on July 31, 1985 and that his company has been using the said mark, in Canada, ever since.

In its written submission, the requesting party criticizes this evidence essentially on two main grounds:

- 1 - that the alleged transfer of the trade mark from Benefact Inc., to Alexander Consulting Group Limited in 1985 is unsubstantiated so that any use shown by Alexander cannot be considered as use by the registered owner as of the notice date; and
- 2 - that additionally any use shown by evidence is not use in association with the registered services, is only token use not effected in the normal course of the company's trade and, therefore, it is insufficient to meet the requirements of section 44 of the Act.

The issue raised on the first point, was recently reviewed in some depth by the Federal Court of Appeal in Marcus v. The Quaker Oats Company of Canada Ltd. (1988) FCA file A-133-85; reported 20 C.P.R. 3(d) 46. This case addressed the following questions:

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(1) Was the nunc pro tunc assignment a valid confirmation of an earlier assignment that had occurred but had not been recorded? and

(2) Must the person who IS the registered owner of the mark on the date of the Section 44 Notice, be the party making use of the mark in Canada; can it be an assignee, though not recorded as such?

The answer to these questions was no in the first instance and yes in the second. Therefore, the conclusion is clear that in a s.44 proceeding use has to be by the registered owner, or a duly registered user, as of the notice date.

This of course raises the question as to whether an assignment that was effected before the notice date but left unrecorded may be recorded nunc pro tunc, for the purpose of a s.44 proceeding, so that the legal owner of the mark, as of that date, may properly furnish evidence of use. As I understand the reasoning in the Marcus case, the answer is yes, but subject to the following caveat: "transactions post-dating the issue of a section 44 notice may properly be viewed with some scepticism and, when the true circumstances are peculiarly within the knowledge of one party, he should bring that evidence forward", and "that evidence must be weighed with care" (page 6 of the decision).

In summary, for the purposes of s.44, an unrecorded assignment effected prior to the notice date, may be recorded nunc pro tunc on the register, as long as the prior assignment is established, through cogent evidence, to the Registrar's satisfaction. However, attempts at filing nunc pro tunc assignments must fail. In other words, it is not the assignment that may be made nunc pro tunc but its recordal.

As properly argued by counsel for the registrant at the hearing, the present case ought to be distinguished from the Marcus case, supra. In the latter case, the transfer document was headed "NUNC PRO TUNC ASSIGNMENT" and the tenor of the document was consistent with an attempt at filing a nunc pro tunc assignment. In the instant case, the document is headed INSTRUMENT OF CONFIRMATION OF ASSIGNMENT and while it contains unfortunate wording, given a fair reading, the tenor of the document is consistent with the confirmation that Benefact Inc., did on or about July 31, 1985 sell, assign and transfer its rights in the mark to Alexander Consulting Group Limited. This document is signed by the President of Benefact Inc., who ought to have personal knowledge in the matter.

I am therefore satisfied that the assignment documents recorded by the Registrar on October 2, 1987 although not overwhelming are sufficient to establish that Benefact Inc., transferred its trade mark BENEFACTS to Alexander Consulting Group Limited on July 31, 1985, that for the purpose of the present proceedings Alexander must be considered as the registered owner as of the Notice date.

On the second point, while the evidence of use furnished is not overwhelming, it does establish some use with at least two well established corporations. It has also established a marketing program featuring the trade mark in association with the advertising and the performance of the registered services. Considering the nature of the registered services I am satisfied that sufficient use has been shown to satisfy the requirements of the Act.

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Therefore, by reason of the evidence filed in these proceedings, I have concluded, even though not without some difficulty, that the subject trade mark is in use in Canada and that consequently its registration ought to be maintained as it presently appears on the register.

Registration No. TMA153,077 will be maintained accordingly, in compliance with the provisions of s-s. 44(5) of the Trade Marks Act.

Yours truly,

**J.P. D'Aoust**  
Senior Hearing Officer  
for REGISTRAR OF TRADE  
MARKS

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c.c. Messrs. Blake, Cassels & Graydon  
Intellectual Property Group  
26th Floor, P.O. Box 25  
Commerce Court West  
Toronto, Ontario.  
M5L 1A9

**anada**