



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

Citation: 2015 TMOB 196
Date of Decision: 2015-10-29

IN THE MATTER OF SECTION 45 PROCEEDINGS

Gowling Lafleur Henderson LLP

Requesting Party

and

Liwayway Marketing Corporation

Registered Owner

TMA724,715 for OISHI Design

Registration

[1] This is a decision involving summary expungement proceedings with respect to registration No. TMA724,715, for the trade-mark OISHI Design shown below (the Mark), owned by Liwayway Marketing Corporation.



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

Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams; eggs; milk and other dairy products; edible oils and fats; preserves, pickles.

[3] For the reasons that follow, I conclude that the registration ought to be maintained solely with respect to the registered good “dried and cooked vegetables”.

The Proceeding

[4] On April 12, 2013, the Registrar of Trade-Marks sent a notice under section 45 of the *Trade-Mark Act* RSC 1985, c T-13 (the Act) to Liwayway Marketing Corporation (the Registrant). The notice was sent at the request of Gowling Lafleur Henderson LLP (the Requesting Party).

[5] The notice required the Registrant to provide evidence showing that it had used the Mark in Canada, at any time between April 12, 2010 and April 12, 2013 (the relevant period), in association with each of the goods specified in the registration. If the Mark has 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] The relevant definition of use is set out in section 4(1) of the Act as follows:

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.

[7] 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)]. The threshold for establishing use in section 45 proceedings is quite low [*Woods Canada Ltd v Lang Michener* (1996), 71 CPR (3d) 477 (FCTD) at 480], and evidentiary overkill is not required [*Union Electric Supply Co Ltd v Registrar of Trade Marks* (1982), 63 CPR (2d) 56 (FCTD)]. Nevertheless, sufficient evidence must still be provided to allow the Registrar to conclude that the trade-mark was used in association with each of the registered goods during the relevant period [see *Uvex Toko Canada Ltd v Performance Apparel Corp*, 2004 FC 448, 31 CPR (4th) 270)].

[8] In response to the Registrar's notice, the Registrant furnished the affidavit of Oszen A. Chan, the President of the Registrant. Both parties filed written representations. Both parties were also represented at a hearing held jointly with hearings for summary expungement proceedings with respect to three other registrations owned by the Registrant. Separate decisions

will be issued for these other proceedings, which pertain to registration Nos. TMA605,878, TMA692,890, and TMA706,660.

The Evidence

[9] In his affidavit, Mr. Chan attests that the Registrant is a corporation based in the Philippines that is engaged in the business of “manufacturing and distributing in the field of food and beverages.”

[10] With respect to use of the Mark in Canada, Mr. Chan attests that since at least as early as 2008 and until 2010, the Registrant began distributing and selling in association with the Mark “dried and cooked fruits and vegetables.” He states that such distribution and sales has been “specifically” by way of the Registrant’s “OISHI Gourmet Picks Potato Chips” and “OISHI Ridges Potato Chips” products (hereafter referred to as the OISHI Goods).

[11] With respect to the Registrant’s normal course of trade for such goods, Mr. Chan attests that Scarborough, Ontario-based Apo Products Ltd. and Richmond, BC-based Uno Foods, Inc. purchase products marked with the Mark from the Registrant for resale throughout Canada. In support of such sales, he provides aggregate sales figures for the above-noted OISHI Goods for the years 2009 through 2010 and attaches representative samples of commercial invoices, together with associated packing lists and shipping documents. I note that the OISHI Goods are highlighted on the representative invoices. Mr. Chan states that the absence of sales of the OISHI Goods for the years 2011 and 2012 was due to the fact that there was no re-order of these products. He attests that for “the current year”, however, that one of the Registrant’s distributors has signalled its intention to place an order for these products.

[12] With respect to display of the Mark, Mr. Chan provides representative specimens of packaging for the OISHI Goods, which he attests were actually sold and distributed in Canada. The Mark clearly appears on all of the packaging. The products identified on the specimen packaging are as follows: “OISHI Gourmet Picks Potato Chips”, and “OISHI Ridges Potato Chips”.

[13] Lastly, with respect to the remaining registered goods, Mr. Chan explains that the Registrant has “all the intention” to use the Mark for these goods in Canada. He states that these products are actively advertised on the Registrant’s website, which includes further links to various social media accounts. He further states that these goods are promoted to international clients including Canadians at international trade fairs, and identifies two such trade shows which were recently held in the Philippines. He then concludes his affidavit by stating that “Canada is one country where our company has decided to actively market all its OISHI & Design products and it is just a matter of time that all the wares listed in the Registration No. TMA724,715 will be distributed and sold in Canada.”

Submissions of the Parties and Analysis

[14] In his affidavit, Mr. Chan makes no claim of use with respect to the registered goods, other than “dried and cooked fruits and vegetables”. At issue then, is whether the evidence is sufficient to show use with “dried and cooked fruits and vegetables”, and whether special circumstances have been shown to excuse the absence of use with respect to the remaining registered goods.

[15] The Requesting Party submits that the Registrant has shown use only with potato chip snack food products (*i.e.* the OISHI GOURMET PICKS Potato Chips and OISHI RIDGES Potato Chips), and, as such, the Registrant has only shown use with a “vegetable-derived product” rather than “dried and cooked fruits and vegetables”. The Requesting Party submits that the fact that a presumably cooked vegetable is one ingredient of a vegetable-derived product such as potato chips does not demonstrate use with “dried and cooked fruits and vegetables”, based on the plain wording of the registration [citing as support *Kellogg Co v Granovita UK Ltd*, 2011 TMOB 242, 99 CPR (4th) 1 at paras 34-35].

[16] The Registrant, on the other hand, submits that Mr. Chan has provided clear statements of use with respect to a limited set of goods, and has provided representative specimens of those goods. Further to this, the Registrant submits that Mr. Chan’s sworn statements are not inconsistent, and that an inquiry as to whether the various chip products are “vegetable-derived products” rather than “dried and cooked vegetables” involves a meticulous analysis of the goods,

an approach that has been held to be inconsistent with the purpose of section 45 of the Act [citing *Smart & Biggar v Diversey, Inc*, 2012 TMOB 3 (CanLII)].

[17] I agree with the Registrant, and find the present case distinguishable from the facts in *Kellogg, supra*. Here, the statement of goods in the registration qualifies the subject goods as “dried and cooked”, meaning that they are processed in some fashion. Further, in reviewing the specimen packaging for the OISHI Goods, it is evident that the main or principal ingredient is potatoes. The Registrant submits, and I agree, that potato chips consist of sliced potatoes, that are cooked and often seasoned. Lastly, the fact that fried sliced potatoes have been seasoned, in my view, is inconsequential; that is, the seasoning does not change the product to the extent that it is no longer recognizable as sliced fried potatoes, and should be considered a “vegetable-derived product” only, rather than a processed vegetable. Consequently, I accept that the Registrant has shown use of the Mark in association with “dried and cooked vegetables”. In this regard, the Registrant has shown representative specimen packaging bearing the Mark for these goods, as well as sales in the normal course of trade in Canada during the relevant period (per the invoices, packing lists and associated shipping documents).

[18] Although I accept that the Registrant has shown use of the Mark in association with “dried and cooked vegetables”, I see no evidence to support that the Registrant has used its Mark in association with “dried and cooked fruits”. Indeed, I note that even the Registrant’s own written representations refer to “dried and cooked vegetables” rather than “dried and cooked fruits and vegetables”. As section 45 requires that use is to be shown “with respect to each of the goods or services specified in the registration” [see *John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)], I conclude that the Registrant has failed to show use of the Mark in association with “dried and cooked fruits”.

[19] In view of the foregoing, I accept that the Registrant has shown use of the Mark in association with “dried and cooked vegetables” within the meaning of sections 4 and 45 of the Act. However, I am not satisfied that use of the Mark has been shown with respect to any of the remaining registered goods. I must now determine whether special circumstances have been demonstrated that would excuse the absence of such use.

Special Circumstances

[20] To determine whether special circumstances have been demonstrated, the Registrar must first determine, in light of the evidence, the reasons surrounding why the trade-mark was not used during the relevant period. The Registrar must then determine whether these reasons for non-use constitute special circumstances [per *Registrar of Trade Marks v Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 (FCA)], such that an exception to the general rule, that the absence of use will be penalized by expungement, ought to be made [*Smart & Biggar v Scott Paper Ltd* (2008), 65 CPR (4th) 303 (FCA) at para 22]. Special circumstances mean “circumstances that are unusual, uncommon or exceptional” [see *John Labatt Ltd v Cotton Club Bottling Co* (1976), 25 CPR (2d) 115 (FCTD)].

[21] A determination of whether there are special circumstances that excuse non-use involves consideration of three criteria: (1) the length of time during which the trade-mark has not been in use; (2) whether the reasons for non-use were beyond the control of the registered owner; and (3) whether there exists a serious intention to shortly resume use [per *Harris Knitting Mills, supra*]. Merely demonstrating an intention to resume use is insufficient on its own [per *Scott Paper, supra*]. The intent to resume use must be substantiated by the evidence [see *Arrowhead Spring Water Ltd v Arrowhead Water Corp* (1993), 47 CPR (3d) 217 (FCTD); *NTD Apparel Inc v Ryan*, 2003 FCT 780, 27 CPR (4th) 73].

[22] In the present case, Mr. Chan has not provided any reasons or evidence to indicate why the Mark was not used in association with the remaining goods, nor did he provide a date of last use. At the oral hearing, the Registrant submitted that certain goods have simply not been sold, and the Registrant has been trying to sell these goods and has demonstrated concrete steps taken to sell such goods in Canada.

[23] However, while it may be true that the Registrant has actively attempted to sell the remaining goods in Canada, no reasons have been brought forth to explain what has prevented the sale of such goods. In the absence of such evidence, I am unable to determine whether there were reasons that existed for the absence of use that would amount to special circumstances, let alone for a period of almost five years [see *Oyen Wiggs Green & Mutala v Rath*, 2001 TMOB 34, 82 CPR (4th) 77 at para 10, regarding the date of registration being considered the relevant

date, when a date of last use has not been provided]. Furthermore, even if I were to consider the Registrant's product marketing activities (*i.e.* online and at international trade shows) as demonstrating an intention to resume or commence use of the Mark in Canada shortly, as previously indicated, these activities in and of themselves would be insufficient to maintain the registration in respect of the remaining goods [per *Scott Paper, supra*].

[24] Consequently, in view of the above, I conclude that the Registrant has failed to establish that the absence of use of the Mark in association with the remaining goods was due to special circumstances that would excuse such non-use.

Disposition

[25] Having regard to the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act, the registration will be maintained solely with respect to the registered goods "dried and cooked vegetables".

Kathryn Barnett
Member
Trade-Mark Opposition Board
Canadian Intellectual Property Office

Hearing Date: 2015-06-04

Appearances

Bayo Odutola

For the Registrant

James Green

For the Requesting Party

Agents of Record

G. Ronald Bell & Associates

For the Registrant

Gowling Lafleur Henderson LLP

For the Requesting Party