

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

Citation: 2016 TMOB 144 Date of Decision: 2016-08-23

IN THE MATTER OF A SECTION 45 PROCEEDING

Gowling WLG (Canada) LLP Requesting Party

and

Pelican International Inc. Registered Owner

TMA244,120 for RAM-X Registration

- [1] At the request of Gowling Lafleur Henderson LLP, whose name was later changed to Gowling WLG (Canada) LLP (the Requesting Party), the Registrar of Trade-marks issued a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) on October 6, 2014 to Pelican International Inc. (the Owner), the registered owner of registration No. TMA244,120 for the trade-mark RAM-X (the Mark).
- [2] The Mark is registered for use in association with the following goods:
 - (1) Molded plastic components of boats.
 - (2) Plastic materials for toys and sporting goods.
- [3] Section 45 of the Act requires the registered owner of a trade-mark to show, with respect to each of the goods or services specified in the registration, whether the trade-mark was in use in Canada at any time during the three-year period immediately preceding the date of the notice and, if not, the date when it was last so in use and the reason for the absence of such use since

that date. The relevant period in this case is any time between October 6, 2011 and October 6, 2014.

- [4] 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 removing deadwood from the register. While mere assertions of use are not sufficient to demonstrate use in the context of a section 45 proceeding [see *Plough (Canada) Ltd v Aerosol Fillers Inc* (1979), 45 CPR (2d) 194, aff'd (1980), 53 CPR (2d) 63 (FCA)], the threshold for establishing use in these proceedings is quite low [see *Lang, Michener, Lawrence & Shaw v Woods Canada Ltd* (1996), 71 CPR (3d) 477 (FCTD)], and evidentiary overkill is not required [see *Union Electric Supply Co v Canada (Registrar of Trade-marks)* (1982), 63 CPR (2d) 56 (FCTD)]. However, sufficient facts must still be provided to permit the Registrar to arrive at a conclusion of use of the trade-mark in association with each of the goods or services specified in the registration during the relevant period.
- [5] For the purposes of this decision, the relevant definition of "use" is set out in section 4(1) of the Act as follows:
 - 4(1) 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.
- [6] In response to the Registrar's notice, the Owner furnished the affidavit of its Vice-President and Secretary, Antoine Élie, sworn December 22, 2014.
- [7] Both parties filed written representations and attended an oral hearing. At the outset of the hearing, the Owner conceded that the registration ought to be amended to delete the goods "plastic materials for toys" as there is no evidence of use or circumstances excusing the absence of use of the Mark with respect to these goods.
- [8] Consequently, I will focus my analysis only on the registered goods "molded plastic components of boats" and "plastic materials for sporting goods" (sometimes hereinafter referred to respectively as Goods (1) and (2)).

The Owner's evidence

- [9] In his affidavit, Mr. Élie attests that the Owner is a world leader in the recreational boating industry that markets, among others, a complete range of boats and sporting goods in Canada and abroad, in association with various trade-marks, including the Mark.
- [10] More particularly, Mr. Élie attests that the Owner used the Mark continuously during the relevant period and continues to do so in association with:

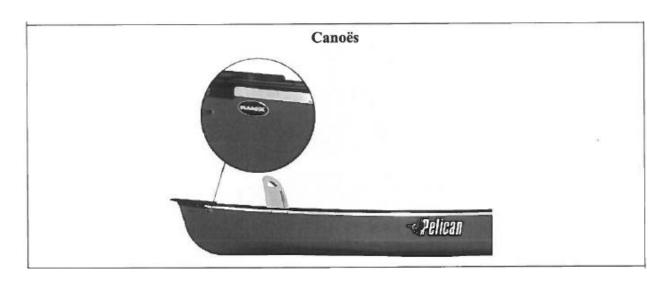
... des composantes plastiques moulées qui entrent dans la fabrication de bateaux (kayaks, canoës, pédalos et bateaux de pêche) et un matériau plastique qui entre dans la fabrication d'articles de sport (SUPs ou "stand-up paddleboard", et luges) fabriqués et vendus par Pélican.

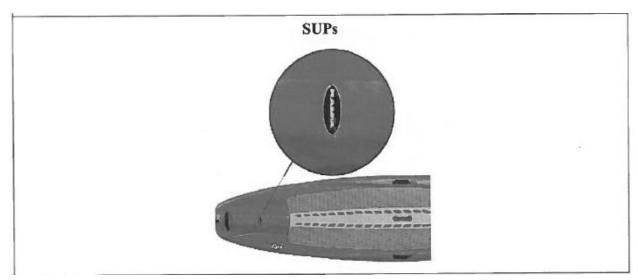
[TRANSLATION] ... molded plastic components used in the manufacturing of boats (kayaks, canoes, pedal boats, and fishing boats) and a plastic material used in the manufacturing of sporting goods (SUPs or "stand-up paddleboard", and sleds) manufactured and sold by [the Owner].

- [11] Mr. Élie attests that the Owner has always given notice to consumers ("donn[é] avis aux consommateurs") that:
 - ... la Marque réfère à la composante plastique moulée et/ou au matériau plastique dont la coque de certains bateaux et articles de sport fabriqués et vendus par Pélican est composée.

[TRANSLATION] ... the Mark refers to the molded plastic component and/or the plastic material from which the hull of some of the boats and sporting goods manufactured and sold by the Owner are made.

- [12] Mr. Élie explains that such notice was given through various means, including:
 - by affixing the Mark directly on the molded plastic component of boats and on the plastic material of sporting goods, as per some of the examples below, taken from Exhibit AE-10:





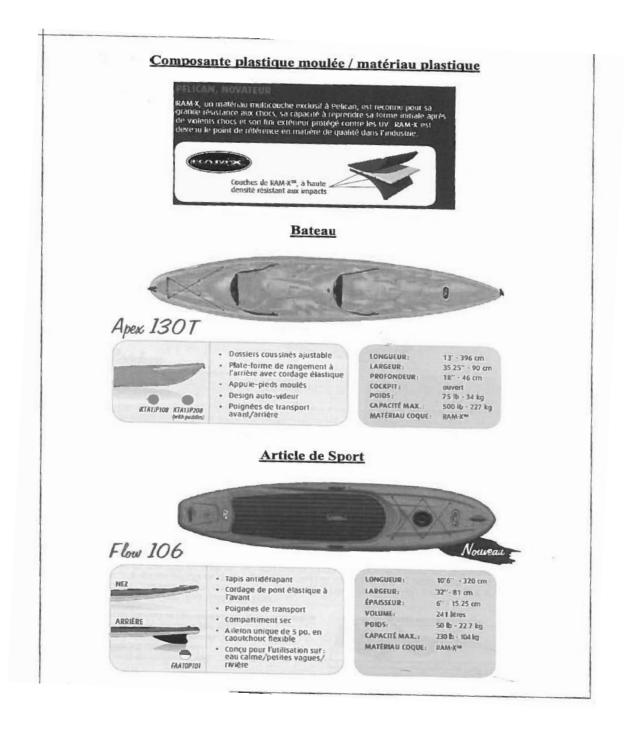
labels ("étiquettes") affixed on the products and on technical sheets ("fiches techniques") available at the point of purchase. It should be noted that, in both cases, "RAM-X MC" is described as a "HULL MATERIAL" ("matériau coque"), as per some of the examples below, taken from Exhibits AE-11and AE-12:





- user manuals ("manuels d'utilisateur") and product catalogues displaying the Mark, as per some of the examples reproduced below, taken from Exhibits AE-13 and AE-14. Mr. Élie states that the user manuals accompanied the products as sold during the relevant period. He also states that the product catalogues were distributed by the

Owner during the relevant period to its distributors, retailers and customers by mail and through email:





[13] Mr. Élie explains that the Owner's boats and sporting goods are sold through retailers such as Sail Plein Air, The North West Company, Home Hardware and Canadian Tire. He attaches, under Exhibit AE-15, a sampling of representative invoices showing sales, during the relevant period, of the Owner's boats and sporting goods described above.

Analysis

- [14] The Requesting Party made numerous submissions with respect to the Élie affidavit and accompanying exhibits. Its main arguments are that:
 - the goods covered by the registration are defined as the plastic component or material of a finished object or end product, namely boats in the case of Goods (1), and sporting goods in the case of Goods (2). The Mark is registered for the plastic component or plastic material, not the end product which will be made up of such plastic component or material;
 - the Owner showed no evidence of sale of Goods (1) and (2) as such. Rather, it showed sales of various types of boats in the form of canoes, kayaks, etc., and arguably sporting goods in the form of a sled or a SUP. While the Owner's boats may be made of molded plastic and while its sporting goods may be made of plastic materials, it is clear from the Élie affidavit that the Owner does not sell Goods (1) and (2);

- while the Owner could rely on Exhibit AE-10 to argue use of the Mark with boats, the Mark is not registered for use in association with boats. In order to show use of the Mark in association with Goods (1), the Owner needed to provide evidence of the sale of molded plastic components of boats as a stand-alone product, not as part of a finished product;
- with respect to Goods (2), while the Owner could attempt to rely on Exhibit AE-10 to argue use of the Mark with sporting goods having regard to the SUP only, the Mark is not registered for use in association with sporting goods. It is further submitted that the Owner's sleds and SUPs are not sporting goods. A sporting good is understood as equipment and clothes used in sport. A sport is defined as an activity involving physical exertion or skill in which an individual or team competes against another or others for entertainment (citing *English Oxford Dictionary*). Accordingly, neither the sled nor the SUP illustrated should be considered to be equipment for a sport, as defined;
- while the Owner alleges that the Mark appears in catalogues provided with the Owner's boats and SUPs, and that such catalogues identify the Mark as relating to the molded plastic component of a specific boat or the plastic material of a sporting good, the catalogue depicts and describes a boat or a SUP, and the consumer would perceive it as such. Nothing in Exhibits AE-11 to AE-14 serves as notice to the consumer, at the time of purchase, that they are purchasing a molded plastic component of a boat or plastic material for sporting goods. The Owner has not shown that a consumer would recognize the Mark is used in association with the molded plastic components of the Owner's boats or the plastic materials for the SUP (which, again, is not necessarily conceded to even constitute a "sporting good");
- while boats and molded plastic components of boats may be in some way related to each other, such relationship is insufficient to conclude that the Owner used the Mark in association with "molded plastic components of boats";
- the presence of numerous trade-marks on the Owner's boats and SUPs creates uncertainty as to which element or component each trade-mark relates to; and

- the Mark is used, arguably, to describe a "material", and not molded plastic components of boats. Given the articulation of the statement of goods, which specifies "molded plastic *components* of boats" at Goods (1) and "Plastic *materials* for sporting goods" at Goods (2), if the Registrar finds any association with the Mark, it cannot be with respect to Goods (1), as they pertain to "components" only.
- [15] While some of the Requesting Party's submissions are not without merit, I nonetheless find the evidence furnished by Mr. Élie sufficient to establish use of the Mark in association with each of Goods (1) and (2) during the relevant period for the following reasons.
- [16] First, as stressed by the Owner, nowhere in the Act is it required that, to constitute use within the meaning of section 4(1), a trade-mark be necessarily used in association with a "standalone" product, and not to distinguish a component or part of a finished product. As indicated above, what is required is that the trade-mark be marked on the goods themselves or on their packaging or be "...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". It is a mixed question of fact and law. The trade-mark must not be considered in isolation, but rather in its full context of use.
- [17] While each case rests on its own facts, I agree with the Owner that a parallel can be made between the present situation and the one in *Gowling, Strathy & Henderson v Tundra Knitwear Ltd* (2001) 13 CPR (4th) 559 (TMOB), where the Registrar found use of the trade-mark R-TEC in association with "manufactured wool fabric", based on evidence showing sales of finished garments. More particularly, the evidence showed that the trade-mark had been displayed on removable tags affixed to garments to identify them as being made from or containing R-TEC fabric, as per the following passage at paragraph 7:

I am also satisfied that the use shown by the evidence is use of the trade-mark in association with the registered wares "manufactured wool fabric". Ms. Schroeder-Nishimura has explained the difference between traditional wool fabric and the registrant's manufactured wool fabric and she has explained how the consumer is made aware of the R-TEC manufactured wool fabric in a garment. She clearly stated that a tag attached to the garment identifies it as being made of or containing R-TEC manufactured wool fabric. I am satisfied that the tag submitted as Exhibit C, clearly shows that the trade-mark R-TEC is being used to distinguish the fabric namely the "regulated thermal enhanced compacted

wool" used in the finished garment. Consequently, the use shown is in association with the registered wares and such use satisfies the requirements of Section 2 and Section 4(1) of the Act. As properly argued by the registrant, there is nothing in the Trade-marks Act that prohibits the registrant from manufacturing and marketing its wares as it has chosen to do and clearly identifying and distinguishing its wares under the trade-mark R-TEC on a finished garment. [My emphasis]

- [18] As such, I agree with the Owner that Goods (1) and (2) need not be sold as stand-alone products to constitute use under section 4(1) of the Act. As stressed above, section 4(1) only requires "transfers" of the registered goods "in the normal course of trade". Although most often the case, it does not require direct sales of the registered goods per se. In the present case, the Owner has established that the normal course of trade for transfers of its Goods (1) and (2) is by sales of boats and sporting goods. This is sufficient.
- [19] Second, with respect to the presence of numerous trade-marks on the goods sold, I note that it is trite law that nothing prohibits the simultaneous use of trade-marks in association with a good [see *AW Allen Ltd v Warner-Lambert Canada Inc* (1985), 6 CPR (3d) 270 (FCTD)].
- [20] Third, with respect to the Requesting Party's position that the Owner's SUPs do not fall within the meaning of a "sporting good", I note the following definitions of the term "sport":
 - n. 1 a game or competitive activity, e.g. hockey. b (usu. in pl.) such activities collectively. 2 recreation, amusement, diversion, fun (*sport hunting*). 3 [...] (*Paperback Oxford Canadian Dictionary*, Second Edition)
 - A recreational or competitive activity which requires a certain degree of skill and a
 certain amount of physical exercise; a physical activity asking for methodic training and
 the respect of set rules.
 (TERMIUM Plus Government of Canada's terminology and linguistic database,
 Translation Bureau)
- [21] Furthermore, I note the following definitions of the terms "paddleboard", "paddleboarding" and "planche à rame" ("paddleboarding"):
 - "paddleboard":
 - n. A type of surfboard used in paddleboarding (*Oxford Dictionaries*, Oxford University Press)
 - "paddleboarding":

- n. The sport or pastime of lying, kneeling, or standing on a paddleboard or surfboard and propelling oneself through the water with a paddle or the hands (*Oxford Dictionaries*, *supra*)

"Planche à rame":

- Sport de glisse nautique où le pratiquant est debout sur une planche plus longue qu'une planche de surf classique, se propulsant à l'aide d'une pagaie [...] (TERMIUM Plus, supra)
- [22] In view of these definitions, I find it clear that the Owner's stand-up paddleboards, or SUPs, can be characterized as sporting goods, in that they are intended for a recreational activity which requires a certain degree of skill and a certain amount of physical exercise. The pictures of SUPs illustrated in the Owner's product catalogues, filed under Exhibit AE-14 to the Élie affidavit (in particular the 2013 and 2014 catalogues depicting individuals on SUPs), further support this finding.
- [23] However, I tend to agree with the Requesting Party that the Owner's sleds cannot be characterized as sporting goods. Notwithstanding Mr. Élie's statement in his affidavit that "sleds" are "sporting goods", I note that the exhibited product catalogues describe the Owner's sleds as "utility sleds" designed to be towed by an ATV or snowmobile. While they can be used for "winter work or outdoor fun", the descriptions expressly include a warning to the effect that these utility sleds "should never be used to tow people or animals as serious injury or death may occur if doing so."
- [24] In any event, given my finding above that SUPs are sporting goods, this issue is moot in that I need only consider SUPs in assessing whether the Owner used the Mark in association with "plastic materials for sporting goods" during the relevant period.
- [25] Fourth, as stressed above, the whole context of use of the Mark must be considered. In this regard, considering more particularly the evidence furnished with respect to Goods (2), the Mark is displayed directly on the SUPs sold by the Owner, alongside what appear to be other trade-marks. While I acknowledge that the mere display of the Mark on the SUPs does not by itself provide any indication as to what the Mark relates to, the accompanying labels, technical sheets and user manuals described above (under Exhibits AE-11 to AE-14) clearly identify the Mark as relating to the hull material of which the SUPs are made. Similar to the *Tundra*

Knitwear case, supra, in which part of Tundra's marketing strategy for its manufactured wool fabric R-TEC was to create consumer awareness of what R-TEC is and what value it has in a garment, the Owner presented the Mark as a distinct characteristic of the finished product to the point of it being a selling feature. In my view, such display gave customers sufficient notice of association of the Mark with Goods (2), "plastic materials for sporting goods".

- [26] Given that the exhibited invoices show sales of SUPs in the normal course of trade, from the Owner to Canadian customers during the relevant period, I am satisfied that the Owner has demonstrated use of the Mark in association with Goods (2), "plastic materials for sporting goods", within the meaning of sections 4(1) and 45 of the Act.
- [27] Turning to Goods (1), with respect to the Requesting Party's submission that the Mark is described in the exhibits as a "material" as opposed to a "component", I note the following definitions of the terms "component" and "material":

"component":

- n. a part of a larger whole or system (*The Canadian Oxford Dictionary*, Second Edition)
- n. a constituent part or aspect of something more complex; a component of a car (*The Collins English Dictionary*, Free Online Dictionary)

"material":

- n. 1 the substance of which a thing is made or composed; component or constituent matter (*raw material*). 2 [...] (*The Collins English Dictionary, supra*)
- n. 1 the elements, constituents, or substances of which something is composed or can be made. 2 [...] (*Merriam-Webster Dictionary* database)
- [28] In view of these definitions, I disagree with the Requesting Party that the Owner has not shown use of the Mark in association with "molded plastic components of boats". The labels, technical sheets and user manuals accompanying the sale of the Owner's boats clearly identify the Mark as relating to the hull material of which the boats are made. As for Goods (2), the Owner presented the Mark as a distinct characteristic of the finished product to the point of it being a selling feature. In my view, the description of the Mark, being a "hull material", falls well within the broad meaning of the word "component".
- [29] Finally, I acknowledge that, while the Requesting Party focused on the "molded plastic components" as not constituting a "material", its submissions do touch on the fact that, arguably,

the "molded plastic component" of Goods (1) is essentially the same good as the "plastic

material" of Goods (2). However, two distinct purposes of the RAM-X material are articulated in

the statement of goods; one relates to boats, the other to sporting goods. While the statement of

goods could have been articulated differently or even in a more accurate manner, I note that the

validity of the registration is not in dispute in section 45 proceedings [see *Ridout & Maybee LLP*

v Omega SA, 2005 FCA 306, 43 CPR (4th) 18].

[30] To sum up, and keeping in mind the summary nature of section 45 proceedings, I am

satisfied that the Owner has also demonstrated use of the Mark in association with Goods (1),

"molded plastic components of boats", within the meaning of sections 4(1) and 45 of the Act.

The Mark is clearly not deadwood in this respect.

Disposition

[31] In view of all the foregoing, pursuant to the authority delegated to me under section 63(3)

of the Act and in compliance with section 45 of the Act, the registration will be amended to

delete "... toys and ..." from Goods (2).

[32] The amended statement of goods will be as follows:

(1) Molded plastic components of boats.

(2) Plastic materials for sporting goods.

Annie Robitaille

Member

Trade-marks Opposition Board

Canadian Intellectual Property Office

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TRADE-MARKS OPPOSITION BOARD CANADIAN INTELLECTUAL PROPERTY OFFICE APPEARANCES AND AGENTS OF RECORD

HEARING DATE: 2016-07-13

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