

SECTION 45 PROCEEDINGS
TRADE-MARK: PUMA
REGISTRATION NO. TMA184,776

[1] On March 23, 2007, at the request of Deeth Williams Wall LLP (the Requesting Party), the Registrar issued the notice prescribed by s. 45 of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act) to Arctic Cat Inc. (the Registrant), the registered owner of registration No. TMA184,776 for the trade-mark PUMA (the Mark). The Mark is registered in association with “snowmobiles and parts therefor.”

[2] Section 45 requires the registered owner of a trade-mark to show whether the mark has been used in Canada in association with each of the wares and services listed in the registration at any time during the three years preceding the date of the notice, in this case between March 23, 2004 and March 23, 2007 (the Time Period). If the mark has not been used during that time period then the registered owner is required to indicate the date on which it was last used and the reason why it has not been used since that date.

[3] The purpose of s. 45 is to provide a simple, summary and expeditious procedure for clearing the register of trade-marks which are not *bona fide* claimed by their owners as active trade-marks [*Ridout & Maybee s.r.l. v. Omega SA* (2004), 39 C.P.R. (4th) 261 (F.C.)]. The onus on a registered owner under s. 45 is not a heavy one [*Austin Nichols & Co. v. Cinnabon, Inc.* (1998), 82 C.P.R. (3d) 513 (F.C.A.)].

[4] What qualifies as use of a trade-mark is defined in s. 4 of the Act, which is reproduced below:

4. (1) A trade-mark is deemed to be used in association with wares if, at

the time of the transfer of the property in or possession of the wares, in the normal course of trade, it is marked on the wares themselves or on the packages in which they are distributed or it is in any other manner so associated with the wares that notice of the association is then given to the person to whom the property or possession is transferred.

(2) 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.

(3) A trade-mark that is marked in Canada on wares or on the packages in which they are contained is, when the wares are exported from Canada, deemed to be used in Canada in association with those wares.

[5] An affidavit of Roger H. Skime was filed in response to the s. 45 notice.

[6] Both parties filed a written argument and participated in an oral hearing.

The Evidence

[7] Mr. Skime signed his affidavit on September 18, 2007 as the Vice President, Engineering/Snowmobile Division of the Registrant. He has been employed by the Registrant since 1962 and has held his current position since 1983. In his current position, he is responsible for all aspects of the Registrant's snowmobile operations, including its operations in Canada and he has attested that he has knowledge of the facts deposed to and full access to the Registrant's files and records.

[8] According to Mr. Skime, the Registrant has been manufacturing snowmobiles and parts therefor from its U.S.-based facilities for over 40 years. However, new models of the Registrant's PUMA branded snowmobiles were last sold in Canada in 1997-98 (Exhibit "A" is a photograph of such a snowmobile, with the Mark appearing on the right hand side of the hood). Nevertheless, Mr. Skime claims that the Registrant has used the Mark in Canada during the Time Period in association with snowmobile parts, namely snowmobile hoods and snowmobile decals. These parts were sold primarily through snowmobile and snowmobile accessories retailers/distributors. As Exhibit "B", Mr. Skime has provided copies of a number of invoices, which he says show the sale of PUMA hoods/decals to some of the Registrant's Canadian retailers/distributors during the

Time Period. In particular, these invoices refer to “HOOD W/ DECAL95 PUMA DLX”, “DECAL HOOD-LH”, “DECAL HOOD-RH”, and “DECAL HOOD-LOWER-RH”. Overall, it appears from the invoices that there was the sale of one hood and many decals to Canadian buyers during the Time Period. The value of such sales exceeded \$900.

[9] Mr. Skime states that not only is the Mark affixed to the parts themselves but that the Mark also appears on packaging in which the parts are contained when possession is transferred to dealers and, in certain cases, on invoices that accompany the parts when they are delivered to dealers. One of the invoices provided does refer to the Mark in the body of the invoice. However, no examples of packaging have been provided.

[10] To show how the Mark appears on the wares, Mr. Skime has provided the following: 1) a photograph of a pre-1998 snowmobile displaying the Mark on the front right-hand side of its hood; and 2) excerpts from the Registrant’s website that Mr. Skime attests identify the PUMA-branded parts referred to in the invoices (for example, the “Hood w/Decals” is represented by a drawing of a snowmobile hood with PUMA displayed on its side).

The Argument

[11] The parties agree that “snowmobiles” should be struck from the statement of wares. However, they disagree as to the fate of “parts”. It is the Registrant’s position that it has evidenced sales of two types of snowmobile parts, namely hoods and decals.

Hoods

[12] The Requesting Party argues that the Registrant is not selling a hood in association with the Mark, but rather is selling a hood together with a decal that displays the Mark. The Registrant responds by saying that there is no reason to believe that the decal is not already applied to the hood when the hood is shipped to the dealer. I am inclined to agree that it appears that the hood is

sold in association with the Mark. As seen in the invoice provided, there is a single part number, not two part numbers, for the ware described as “hood w/decals”.

[13] The Requesting Party also raises several objections with respect to the “invoice” for one “HOOD W/ DECAL95 PUMA DLX”, which was filed as the first page of Exhibit “B”.

[14] First, the Requesting Party notes that the word “invoice” does not appear on this document. Because the words “Repeat printout” appear in the document’s upper right hand corner, the Requesting Party concludes that it is merely a printout from a database. However, I have no difficulty accepting that the document is “an invoice”. Mr. Skime did not state that he was attaching original invoices and I see no reason to doubt the accuracy of invoice details printed off of a database. Moreover, the document in question contains all of the information that would typically appear on an invoice, namely the name and address of the sender, the name and address of the recipient, a date, the quantity, part number and written identification of the purchased item, the price and applicable taxes, plus details of payment and delivery terms.

[15] Second, the Requesting Party takes objection to the fact that the recipient of the invoice is not one of the three listed in Mr. Skime’s affidavit. Paragraphs 6 and 7 of the Skime affidavit read:

6. During the Period, Arctic Cat Inc.’s Wares bearing the trade-mark PUMA (among other trade-marks) were sold in Canada primarily through snowmobile and snowmobile accessories retailers/distributors such as the following (the “Dealers”):

- (a) Red Deer Power Sports of Red Deer County, Alberta;
- (b) K-Sports of Kenora, Ontario; and
- (c) Pikes Recreation & Marine of Clarenville, Newfoundland.

7. Attached hereto as Exhibit “B” are copies of true invoices showing sales of PUMA-branded Wares (that is, snowmobile hoods and snowmobile decals) to the Dealers during the Period.

[16] The invoice that refers to a hood is directed to Sturgeon Falls Auto Sports & MA of

Ontario. Unlike the Requesting Party, I am not concerned that such company is not specifically listed in paragraph 6 of the Skime affidavit. I do not accept that the definition of Dealers must be interpreted as restricted to only the three examples listed in paragraph 6.

[17] Third, the Requesting Party notes that although Mr. Skime states that the excerpts from the website that he has provided as Exhibit “D” identify the wares referred to in the invoices, the part no. listed for the invoiced hood (0718-332) differs from that of the hood shown in Exhibit “D” (0718-331). However, I do not consider this to be a significant point; it is not essential that the Registrant show how the Mark appears on the hood because the invoice for the hood lists the Mark in the body of that invoice and Mr. Skime attests at paragraph 8 that invoices accompany the wares when they are delivered to the Dealer. There is ample case law that says that the appearance of a trade-mark in the body of an invoice that accompanies the wares satisfies the use requirements of s. 4 (see e.g. *Tint King of California Inc. v. Canada (Registrar of Trade Marks)* (2006), 56 C.P.R. (4th) 223 (F.C.T.D.)). I also note the case law submitted by the Registrant in support of its position that the appearance of the other words around PUMA in the body of this invoice does not preclude a conclusion that PUMA *per se* has been used, e.g. *Bereskin & Parr v. Red Carpet Food Systems Inc.* (2007), 64 C.P.R. (4th) 234 (T.M.O.B.).

[18] Fourth, the Requesting Party notes that the invoice for the hood refers to Arctic Sales Inc., rather than the Registrant. However this is of no consequence for two reasons: (1) Mr. Skime has made it clear that Arctic Sales Inc. is a wholly-owned Canadian subsidiary of the Registrant and that the Registrant has licensed this subsidiary in such a manner as to comply with s. 50 of the Act (see paragraph 7 of the Skime affidavit); and (2) Mr. Skime explains that the Registrant is the manufacturer and that it fills orders for PUMA-branded wares from its inventory, indicating that there is no real need for Arctic Sales Inc. to be licensed as its activities amount to those of a distributor.

Decals

[19] The Requesting Party submits that decals do not qualify as “parts”, based on its submission that a “part” is “an essential element of a machine or other apparatus”. However, given that Mr. Skime attests that decals are snowmobile parts and that the Registrant’s materials clearly indicate that “part numbers” have been assigned to decals, I accept that in the present case decals do qualify as parts.

[20] The Requesting Party also submits that the Registrant’s evidence does not show use of the Mark in association with decals as required by s. 45, for a number of reasons.

[21] First, the Requesting Party submits that the documents that refer to decals in Exhibit “B” are, contrary to Mr. Skime’s attestation, not invoices, but merely printouts of computer screens. I agree that it is clear that the documents were computer generated but I do not agree that this makes them meaningless. As pointed out by the Registrant, the word “invoice” appears on the documents. For each transaction, it is easy to understand that the first page provides various information concerning the buyer and the second page provides the details of a specific sale, including a description of the wares purchased, their part number(s), their price and the date of the sale. Details of four different invoices are provided: one to Pike’s Recreation & Marine Inc. of Newfoundland; one to Red Deer Power Sports of Alberta; and two to K-Sports of Ontario. It is noted that each of these three purchasers is specifically listed in paragraph 6 of the Skime affidavit.

[22] The Requesting Party correctly points out that the part number listed in one of the “decal invoices” (namely the one to Pike’s Recreation & Marine Inc.) does not correspond to any identified in the pages from the Registrant’s website. However, the remaining three “decal invoices” do list part numbers that correspond to those identified in the pages from the Registrant’s website.

[23] The website extracts comprise schematic drawings of the front portion of a snowmobile,

with numbers pointing to each of the specific parts listed in the three “decal invoices”, namely “decal (hood, side right)” part No. 2611-220; “decal (hood, side left)” part No. 2611-221; and “decal (hood, lower right)” part No. 2611-694. Mr. Skime attests that Dealers can order wares from the website.

[24] The Requesting Party has submitted that we do not know for certain that the decals when delivered displayed the Mark. The Registrant responds that it is absurd to submit that the decals sold would be blank. Overall, I am satisfied from the evidence that the decals that were sold displayed the Mark; the schematic drawings clearly show PUMA and Mr. Skime attests that snowmobile decals bearing the Mark were sold in Canada during the Period (paragraph 4) and that the Mark is affixed to the decals (paragraph 8).

Conclusion

[25] It would have been sufficient for the Registrant to evidence use in association with only one type of snowmobile parts, but I find that two types of snowmobile parts were sold by the Registrant in the normal course of trade in Canada during the Time Period in association with the Mark, namely hoods and decals. Evidentiary overkill is not required in s. 45 proceedings (*Union Electric Supply Co. Ltd. v. Registrar of Trade-marks* (1982), 63 C.P.R. (2d) 56 (F.C.T.D.)) and in the present case a consideration of the evidence as a whole leads to the inference that the Mark has been used during the relevant time period in the normal course of trade in association with parts for snowmobiles.

Disposition

[26] Pursuant to the authority delegated to me under s. 63(3) of the Act, the registration will be amended so that its statement of wares reads “parts for snowmobiles”, in accordance with the provisions of s. 45(5) of the Act.

SIGNED AT TORONTO, ONTARIO ON MARCH 8, 2010.

Jill W. Bradbury
Member
Trade-marks Opposition Board