



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

Citation: 2015 TMOB 71
Date of Decision: 2015-04-13

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by Linda J. Taylor against registration
No. TMA117,822 for the trade-mark TREBOR in the
name of Cadbury UK Limited**

[1] This is a decision involving a summary expungement proceeding with respect to registration No. TMA117,822 for the trade-mark TREBOR (the Mark) in the name of Cadbury UK Limited.

[2] The Mark is registered in association with “Sweet confectionary, namely candy”.

[3] On October 12, 2012, at the request of Linda J. Taylor (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) to Trebor Bassett Limited (Trebor), the registered owner of record at that time.

[4] The notice required the registered owner to provide evidence showing that the Mark was in use in Canada at any time between October 12, 2009 and October 12, 2012, in association with the registered goods. If the Mark had not been so used, the registered owner 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.

[5] 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] It has been 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” [*Philip Morris Inc v Imperial Tobacco Ltd* (1987), 13 CPR (3d) 289 (FCTD) at 293]. The criteria for establishing use are not demanding and an overabundance of evidence is not necessary [see *Union Electric Supply Co Ltd v Registrar of Trade Marks* (1982), 63 CPR (2d) 56 (FCTD)]. However, mere statements of use are insufficient to prove use [see *Plough (Canada) Ltd v Aerosol Fillers Inc* (1980), 53 CPR (2d) 62 (FCA)].

[7] Subsequent to the issuance of the notice, the Registrar was informed that the Mark had been assigned to Cadbury UK Limited (the Owner), effective June 27, 2011. The assignment of the Mark is not at issue in this proceeding.

[8] In response to the Registrar’s notice, the Owner provided three affidavits, all sworn on May 13, 2013 as follows:

- The affidavit of Mark Hodgins, Senior Counsel for the Mondelēz International Group of Companies, including Exhibits A through D;
- The affidavit of Dane Penney, a Searcher employed by the Owner’s agent, including Exhibits A and B; and
- The affidavit of Peterson Eugenio, also a Searcher employed by the Owner’s agent, including Exhibits A and B.

[9] Only the Owner filed written representations; an oral hearing was not held.

[10] For the following reasons, I conclude that the registration ought to be maintained.

The Evidence – Hodgkin Affidavit

[11] In his affidavit, Mr. Hodgkin states that he is Senior Counsel, Trademarks, working in the Global Trademarks Team within the Legal and Compliance Department of the Mondelēz International Group of Companies (Mondelēz), to which the Owner is currently a member.

[12] Mr. Hodgkin attests at length regarding the Owner's corporate structure and its various related companies, as well as changes to that corporate structure which affected the ownership of the Mark before and during the relevant period. Suffice to say, that with respect to use of the Mark during the first part of the relevant period (that is, when Trebor owned the Mark), Mr. Hodgkin attests that a sublicensee, The Allan Candy Company Limited (ACCL), sold candy products in Canada in association with the Mark.

[13] As previously indicated, the Mark was assigned to the Owner part way through the relevant period. In this regard, Mr. Hodgkin attests that this assignment was part of an international reorganization of trade-mark ownership within Mondelēz through a Deed of Assignment, effective June 27, 2011, a copy of which is attached under Exhibit A. Although Mr. Hodgkin attests that a letter was sent on March 23, 2012 to notify the Registrar of the assignment, the change was not recorded on the register until May 31, 2013. I note again that the assignment is not at issue in this proceeding.

[14] With respect to use of the Mark by Trebor during the first part of the relevant period, Mr. Hodgkin attests that Trebor maintained indirect control over the quality of the candy products sold in association with the Mark through a license agreement with Cadbury Adams Canada Inc. (CACI). Pursuant to this license agreement, CACI was required to approve all new advertising, packaging and promotion undertaken by the sublicensee ACCL with respect to TREBOR branded products, as well as all ingredients for use and suppliers of ingredients for use in TREBOR branded products. Further to this, all advertising, packaging and promotion undertaken by ACCL with respect to TREBOR branded products was required to be in compliance with the Cadbury Group of Companies' Marketing Code of Practice, a group of companies which included both Trebor and the Owner at that time. Mr. Hodgkin attests that all TREBOR branded products manufactured and sold pursuant to the license were required to be produced in accordance with detailed specifications and formulas provided by CACI. Mr.

Hodgin further attests that this licensing arrangement was in effect from June 4, 2007 until the end of 2010.

[15] Unfortunately, Mr. Hodgin explains that corporate records from the sublicensee ACCL are no longer available. He explains that ACCL was formed as a new corporation following the divestiture of the Allan Candy division of CACI in 2007. He attests that ACCL is not a member of Mondelēz and as a result of the divestiture, the Owner no longer has access to the files and records that are in the possession of ACCL regarding the manufacture and sale of TREBOR branded products in Canada during the term of the above-noted license agreement.

[16] In any event, Mr. Hodgin attests that based on a review of company documents, he believes that during the course of the license agreement between Trebor and CACI, candy products prominently displaying the Mark were manufactured by ACCL and were sold at various retail outlets in Canada such as Zellers. Such sales are substantiated by royalty reports from ACCL, which he includes as Exhibit B to his affidavit, as well as an invoice summary report, attached as Exhibit C. The royalty reports show sales totaling over \$100,000 for various “Trebor” candy products and over \$200,000 for various “Trebor Éclairs” candy products, both between July 1, 2010 and September 30, 2010. Mr. Hodgin states that the royalty reports are representative of those provided by ACCL to CACI. The invoices reported on the invoice summary are dated November and December 2010 and show sales of various “Trebor” candy products by ACCL, totaling over \$97,000. Mr. Hodgin identified the customer listed on the invoices as Zellers, which is in keeping with the customer identifier ‘Zeller01’ listed on the report.

[17] Mr. Hodgin attests that since 2010, the normal course of trade for candy products associated with the Mark is that they are sold to wholesalers and distributors, who then sell the goods to Canadian retailers for sale to the Canadian public. He further explains that neither the Owner nor Mondelēz have a direct relationship with the customers in Canada and therefore no detailed information with respect to sales to individual customers in Canada is available.

[18] Mr. Hodgin attests however, that it is his belief that TREBOR brand confectionary products “have been available and sold and continue to be available and sold” to consumers in Canada through various retail establishments, including those that cater to British expatriates or

emigrants. In support, he provides at Exhibit D, a scanned photograph of the packaging for “TREBOR Extra Strong Mints”. He states that he is advised and believes that these mints were purchased from The Sweet Exchange retail store in Toronto on April 25, 2013. He further states that the packaging for these mints is a representative sample of TREBOR brand products sold in this manner and that the overall style of the packaging is consistent with packaging for TREBOR brand products sold in Canada for many years, including during the relevant period from October 2009 to October 2012.

The Evidence – Penney & Eugenio Affidavits

[19] Mr. Penney attests that he searched online for Canadian online retailers selling TREBOR brand products and found that products were available from multiple sellers online and in retail stores. Mr. Penney provides the results of his search under Exhibit A. I note however, that his search was conducted after the relevant period on May 6, 2013. Mr. Penney also provides at Exhibit B, screenshots from the *Wayback Machine* Internet archive at *www.archive.org* to show that TREBOR brand products were available from Canadian online retailers during the relevant period, on October 8, 2011 and April 23, 2012. However, the packaging is not shown in the screenshots.

[20] Mr. Eugenio attests that he conducted Internet and telephone inquiries on April 25, 2013 and found that “TREBOR Extra Strong Mints” were available at The Sweet Exchange retail store in Toronto. He explains that he then purchased the goods from this store on April 25, 2013 and again on May 13, 2013. In support, he provides a photo of the packaging for the purchased mints bearing the Mark (Exhibit A), and a photocopy of a receipt for the mints (Exhibit B). Again, I note this evidence post-dates the relevant period.

Analysis and Reasons for Decision

[21] With respect to how the Mark was displayed in association with the goods, the Owner has provided a photograph of packaging bearing the Mark with respect to a transaction for the goods which took place on April 25, 2013. Although the photograph was taken after the relevant period, Mr. Hodgin makes a clear sworn statement in his affidavit to the effect that the packaging is representative and consistent with the packaging used on TREBOR brand products sold in

Canada during the relevant period. I am therefore prepared to accept that the evidence is sufficient for me to conclude that the goods displayed the Mark during the relevant period.

[22] With respect to whether the goods were transferred during the relevant period, Mr. Hodgins attests to sales through a sub-licensee (ACCL) and provides supporting evidence in the form of royalty reports and an invoice summary report (Exhibits B and C respectively). While Mr. Hodgins has not filed actual invoices, he has provided a reasonable explanation for his inability to provide such documentation and I note that a lack of invoices is not fatal to the Owner's case [see *Lewis Thomson & Sons Ltd v Rogers, Bereskin & Parr* (1988), 22 CPR (3d) 561 (FCTD)]. Having regard to Mr. Hodgins's sworn statements, the royalty reports and invoice summary report, I accept that sales of goods bearing the Mark were made in Canada by ACCL during the relevant period, until December 2010. In this regard, Mr. Hodgins attests that the term of the license agreement involving ACCL was from June 4, 2007 until the end of 2010, and the royalty reports and invoice summary reports reflect sales which took place ranging from July to December 2010.

[23] With respect to licensed use under section 50 of the Act, I note that a sworn statement of control is sufficient and a registered owner is not required to submit a copy of the license agreement in the context of section 45 proceedings [*Gowling, Strathy & Henderson v Samsonite Corp* (1996), 66 CPR (3d) 560 (TMOB); and *Mantha & Associés/Associates v Central Transport Inc* (1995), 64 CPR (3d) 354 (FCA)]. Furthermore, it is acceptable for a sub-licensee to control the character and quality of the goods, "so long as there is a continuity of quality control that can be effectively maintained by the owner..." [*Tucumcari Aero, Inc v Cassels, Brock & Blackwell* (2010), 81 CPR (4th) 372 (FC)].

[24] In the present case, Trebor delegated the authority to control the character and quality of the goods to CACI through a license agreement. Furthermore, Mr. Hodgins has provided sworn statements regarding licensing and statements of fact regarding control over the character and quality of the goods through license and sub-license. As such, I am satisfied that there is sufficient evidence to conclude that there was a valid licensing agreement in place and that use of the Mark by ACCL in Canada enured to the benefit of Trebor, the registered owner at that time.

[25] Since 2010, that is, since Trebor's sub-licensee ACCL sold goods in Canada bearing the Mark, Mr. Hodgkin attests that the Owner's normal course of trade has been to sell its goods to wholesalers and distributors, who then sell then the goods to various retail outlets in Canada for sale to the Canadian public. While it is acceptable for a registered owner's normal course of trade to include sales to wholesalers and distributors [*Philip Morris Inc v Imperial Tobacco Ltd et al (No 2)* (1987), 17 CPR (3d) 237 (FCTD)], Mr. Hodgkin provides no supporting evidence with respect to such sales during the relevant period and concedes that the Owner in fact does not have any such evidence. Thus, I cannot conclude that transfers of the goods in the ordinary course of trade in Canada took place at that time.

[26] The affidavits of Mr. Penney and Mr. Eugenio lend support to Mr. Hodgkin's assertions that goods bearing the Mark were available for sale and sold after the relevant period, and even that such goods may have been available for sale by Canadian online retailers during the relevant period. However, absent further evidence, the circumstances remain unclear surrounding the chain of transactions of the goods from the Owner to the Canadian market and whether such sales would constitute use of the Mark that enured to the benefit of the Owner in the normal course of trade at that time.

[27] In any event, as previously indicated, I accept that the evidence shows use of the Mark in Canada that enured to the benefit of Trebor during the term of license agreement with CACI, and section 45 only requires that use be shown at some point during the relevant period [see *Osler, Hoskin & Harcourt v United States Tobacco Co et al* (1997), 77 CPR (3d) 475 at para 20 (FCTD); and *Carter-Wallace Inc v Wampole Canada Inc* (2000), 8 CPR (4th) 30 (FCTD)].

Disposition

[28] Having regard to the above, pursuant to the authority delegated to me under section 63(3) of the Act, registration No. TMA117,822 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