



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

**Citation: 2015 TMOB 210**  
**Date of Decision: 2015-11-27**

**IN THE MATTER OF A SECTION 45 PROCEEDING**

**Andrews Robichaud**

**Requesting Party**

**and**

**Clio/Oz Division of Mainline Fashions  
Inc.**

**Registered Owner**

**TMA308,497 for OZ**

**Registration**

[1] At the request of Andrews Robichaud, the Registrar of Trade-marks issued a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) on April 5, 2013, to Clio/Oz Division of Mainline Fashions Inc. (the Owner), the registered owner of registration No. TMA308,497 for the trade-mark OZ (the Mark).

[2] The Mark is registered for use in association with the goods “jewellery, namely earrings, necklaces, bracelets, rings”.

[3] Section 45 of the Act requires the registered owner of the trade-mark to show whether the trade-mark has been used in Canada in association with each of the goods specified in the registration at any time within the three year period immediately preceding the date of the notice and, if not, the date when it was last in use and the reason for the absence of such use since that date. In this case, the relevant period for showing use is between April 5, 2010 and April 5, 2013.

[4] The relevant definition of “use” in association with goods is set out in section 4(1) of the Act:

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.

[5] 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)]. Although the threshold for establishing use in these proceedings is quite low [*Woods Canada Ltd v Lang Michener* (1996), 71 CPR (3d) 477 (FCTD)], and evidentiary overkill is not required [*Union Electric Supply Co Ltd v Registrar of Trade Marks* (1982), 63 CPR (2d) 56 (FCTD)], 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 specified in the registration during the relevant period.

[6] In response to the Registrar’s notice, the Owner filed the affidavit of Helene Zelovitzky President of Mainline Fashions Inc., sworn on November 1, 2013. Only the Owner filed written representations; an oral hearing was not held.

[7] In her affidavit, Ms. Zelovitzky attests that the Owner “is engaged in the design, manufacture and sale of jewelry in Canada and the United States.” She explains that the Owner sells its products to retailers who, in turn, sell to end consumers. These retailers included Hudson’s Bay, Sears, Walmart and Reitmans. She attests that, during the relevant period, the Owner’s jewelry sales in Canada in association with the Mark was in excess of \$15 million.

[8] Ms. Zelovitzky attests that, since 1984, the Owner has sold its jewelry products “in association with its two primary house marks, namely, the trade-marks CLIO and OZ.” She explains that these trade-marks are “often” depicted in the format shown below:



[9] In particular, Ms. Zelovitzky attests that “when using both of its house marks CLIO and OZ, [the Owner] has ... shown the marks in a manner that visually distinguishes each with differing typeface and light/dark colour contrasts.” She further attests that “the CLIO mark is always depicted above the OZ mark.”

[10] Ms. Zelovitzky further attests that the Owner’s customers, suppliers and other business associates “often refer to the Owner and its jewelry products by its OZ trade-mark.” As an example, attached as Exhibit E to her affidavit is a photograph of a cardboard box that Ms. Zelovitzky attests is a box in which one of the Owner’s suppliers shipped jewelry products to the Owner during the relevant period.

[11] Although “OZ” appears on the box above the Owner’s address, I note that this is display of the Mark by a supplier, identified on the box as KIMSONG Jewelry. As such, it does not constitute display or use of the Mark by the Owner within the meaning of section 4 of the Act. Furthermore, while this exhibit may support Ms. Zelovitzky’s assertion that suppliers refer to the Owner as OZ, it is not clear that such reference extends to any particular jewelry products ultimately sold by the Owner.

[12] With respect to alleged use of the Mark by the Owner, Ms. Zelovitzky provides no exhibits showing the Mark displayed on any of the registered goods directly or on any packaging at the time of sale and transfer of the goods. The Owner relies on the appearance of the CLIO OZ design mark on copies of three “representative” invoices that accompanied orders (Exhibit A), a business card distributed to customers (Exhibit B), office signage where some orders were placed (Exhibit C), blank envelopes, letterhead and facsimile cover sheets (Exhibit D) and four “representative” purchase orders sent to suppliers (also at Exhibit D).

[13] The exhibited invoices show sales of goods with the following descriptions: “PANDOLA BRAC”, “7R NCK w/PRL”, “NK/CHAINS/STNS”. With respect to the purchase orders, two are for “bracelets”, while the other two are for “earrings”.

[14] Ms. Zelovitzky attests that the exhibited business cards were widely distributed to customers during the relevant period, including when customers purchased or took delivery of the Owner’s jewelry products. Similarly, she attests that customers who attended the Owner’s office/showroom saw the signage bearing the CLIO OZ design mark and that some of those customers placed orders for the Owner’s jewelry products during their visit.

[15] I would note that the CLIO OZ design mark actually shown in the evidence (in particular on the exhibited business cards, invoices and purchase orders) is subtly different from the trademark appearing in the body of Ms. Zelovitzky’s affidavit and reproduced above. In this respect, a border appears around the CLIO portion of the design, connecting it with the lower OZ portion, as depicted below:



*Evidence of Transfers in the Normal Course of Trade*

[16] First, I would note that, of the registered goods, it is not clear whether the Owner in fact sold or transferred any “rings” during the relevant period. Ms. Zelovitzky attests generally to sales of “jewelry” in Canada, but does not provide specifics with respect to the particular registered goods, namely, earrings, necklaces, bracelets and rings. Nevertheless, although she does not explain the content of the exhibited invoices and purchase orders, based on the item descriptions on the representative invoices, I accept that the invoices show sales of “bracelets” and “necklaces” in Canada during the relevant period.

[17] Similarly, although they do not constitute direct evidence of transfers to customers of such goods, the purchase orders for “earrings” would support an inference that the Owner did ultimately sell such goods in the normal course of trade in Canada during the relevant period.

### *Deviation*

[18] In any event, the issue in this case is whether the manner of display of the trade-mark constitutes display of the Mark as registered. As depicted above, the variation of the CLIO OZ design mark that appears on the business cards and at the top of invoices given to customers at the time of transfer includes a black border connecting the top CLIO portion of the design mark with the bottom OZ portion of the design mark.

[19] The first issue to determine is whether this constitutes display of one trade-mark or two trade-marks. It is well-established that two trade-marks may be used at the same time so long as they are not combined in a way to render the individual marks indistinguishable [see *AW Allen Ltd v Warner-Lambert Canada Inc* (1985), 6 CPR (3d) 270 (FCTD) at 272].

[20] In its written representations, the Owner submitted that the OZ mark stands out from the CLIO mark. In this respect, echoing Ms. Zelovitzky's statement above, it emphasized that CLIO appears on a different coloured background than OZ, which is also in a different font. As well, it submits that the Z overlapping the large O makes it visually distinct from the CLIO mark above it.

[21] However, I would first note that the Owner's name is CLIO/OZ Division of Mainline Fashions Inc. and appears as such throughout the evidence. CLIO/OZ appears to be the trading style of the Owner, and aside from the supplier's box depicted at Exhibit E, OZ does not appear anywhere in the evidence separate from CLIO. Indeed, the top of the Exhibit A invoices show the CLIO OZ design mark, followed by "A Division of Mainline Fashions Inc.", in turn followed by the Owner's address and contact information. At the bottom of the invoices, it states "REMIT PAYMENT TO CLIO OZ, A Division of Mainline Fashions Inc.", again followed by the Owner's address and contact information.

[22] Similarly, the Exhibit B business card displays the CLIO OZ design mark as well as "CLIO/OZ A Division of Mainline Fashions Inc." Nowhere in the evidence is it indicated that the Mark is ever displayed separately from CLIO by the Owner to its customers. In reference to the Owner's "two primary house marks", if some of the Owner's jewelry is marketed under the OZ trade-mark and some of the Owner's jewelry is marketed under the CLIO trade-mark, this is

not reflected in the evidence before me. Indeed, as attested to by Ms. Zelovitzky, “CLIO is always depicted above the OZ mark”.

[23] Furthermore, as noted above, a border connects the CLIO part of the trade-mark with the OZ portion of the trade-mark. Given how the CLIO OZ design mark is consistently displayed as referencing the trading style of the Owner, this visual connection is reinforced by the context of its display. As such, I consider the CLIO portion of the design mark to be indistinguishable from the OZ portion of the design mark.

[24] Accordingly, the question is whether display of the CLIO OZ design mark constitutes display of the Mark as registered.

[25] The test for deviation, as articulated in by the Federal Court of Appeal, is as follows:

The practical test to be applied in order to resolve a case of this nature is to compare the trade mark as it is registered with the trade mark as it is used and determine whether the differences between these two marks are so unimportant that an unaware purchaser would be likely to infer that both, in spite of their differences, identify goods having the same origin. [*Canada (Registrar of Trade-marks) v Compagnie Internationale pour l'informatique CII Honeywell Bull* (1985), 4 CPR (3d) 523 (FCA) at 525]

[26] As the Court of Appeal noted, “That question must be answered in the negative unless the mark was used in such a way that the mark did not lose its identity and remained recognizable in spite of the differences between the form in which it was registered and the form in which it was used.” [at 525]

[27] In deciding this issue, one must look to see if the “dominant features” of the trade-mark have been preserved [*Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)]. The assessment as to which elements are the dominant features and whether the deviation is minor enough so as to permit a finding of use of the trade-mark as registered is a question of fact to be determined on a case-by-case basis.

[28] While OZ is the only feature of the registered Mark, I consider the combination of CLIO and OZ to be the dominant feature of the trade-mark displayed. In this respect, although the O in OZ is the largest letter displayed, CLIO is the first portion of the Mark, and as shown throughout

the evidence, is consistently displayed above OZ. Furthermore, neither element is descriptive of the registered goods.

[29] Accordingly, in my view, the dominant feature of the registered Mark, being the word OZ alone, has not been preserved. The addition of CLIO alters the Mark visually, phonetically and in the idea suggested, such that it has lost its identity and does not remain recognizable as the Mark. As such, I find that the evidenced display of the CLIO OZ design mark does not constitute display of the Mark as registered.

[30] In view of all of the foregoing, I am not satisfied that the Owner has demonstrated use of the Mark in association with the registered goods within the meaning of sections 4 and 45 of the Act. Furthermore, there is no evidence of special circumstances excusing non-use of the Mark before me.

Disposition

[31] Accordingly, pursuant to the authority delegated to me under section 63(3) of the Act and in compliance with the provisions of section 45 of the Act, the registration will be expunged.

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Andrew Bene  
Hearing Officer  
Trade-marks Opposition Board  
Canadian Intellectual Property Office

Hearing Date: No Hearing Held

Agents of Record

Bereskin & Parr LLP/S.E.N.C.R.L., S.R.L.

For the Registered Owner

Andrews Robichaud

For the Requesting Party