



3.

Consommation
et Corporations Canada

Consumer and
Corporate Affairs Canada

Marques de commerce

Trade-marks

Ottawa-Hull
K1A 0C9

FE8 15 Y390

Smart & Biggar
P.O. Box 2999, Station D
Ottawa, Ontario
K1P 5Y6

Votre reference Your file
63429-573
Notre reference Our file
294,401

Dear Sir/Madam:

RE: SECTION 45 PROCEEDING
Registration No. TMA 161,269
Trade-mark : LUNKENHEIMER

At the request of Messrs. Sim & McBurney, the Registrar issued a S. 45 Notice dated March 19, 1986 to The Lunkenheimer Company of Cincinnati, Ohio, the registered owner of the above referenced trade-mark registration.

The mark LUNKENHEIMER was registered on February 21, 1969 for use in association with the following wares:

"Wares: (1) Gauges, pressure regulators and water columns. (2) Ejectors, injectors, lubricators, pumps, whistles. (3) Cocks, nozzles, unions, valves. (4) Grease cups, oil cups and wrenches."

In response to the Registrar's Notice, the registrant furnished the affidavit of its President, Mr. William C. Meyer, along with exhibits A, B and C thereto. Further to the filing of this evidence, the requesting party filed a written submission dated November 12, 1986, to which the registrant responded by requesting an oral hearing before the Registrar. A hearing was scheduled for May 5, 1987 which was subsequently postponed at the request of both parties, on the basis that negotiations were ongoing with a view to reaching an amicable settlement. A hearing was re-scheduled for October 18, 1988 and again postponed at the request of both parties, on the basis that the parties were close to reaching an agreement. A hearing was finally held on January 30, 1990 at which both parties were represented by counsel.

In his affidavit, Mr. Meyer asserts clearly that his company and its predecessors in title have been using the trade-mark since at least as early as February 21, 1969 in association with wares of the class covered by the registration. He further states that his company, The Lunkenheimer Company - an Ohio Corporation - has owned the mark since June 1984 and that since that date has been using the mark in association with some of the registered wares but not with all of them and lists both. He also declares that steps have been taken to update the Registrar's records as to ownership of the mark. To substantiate his assertion of use, he annexed to his affidavit several exhibits comprising sales documents and advertising materials.

In his written submission and at the hearing, counsel for the requesting party attacked this evidence essentially on two main grounds:

1 - that the evidence is not admissible in these proceedings since it was not furnished by the owner of record as of the notice date; nor does it show use by that registered owner, as discussed in the Marcus case 1.

2 - that the Meyer affidavit consists of bare allegations of use only, unsubstantiated by the exhibits annexed to the affidavit, and, that in any event the affiant concedes non-use with a substantial list of wares.

...2

1. Marcus, carrying on business as Marcus and Associates V. Quaker Oats Co. of Canada (1988) 20 C. P. R.. (3d) 46.

Canada

On the first issue, counsel for the requesting party argues that it is clear from the decision rendered by the Federal Court of Appeal in *Marcus supra*, that evidence of use in a S. 45 proceeding has to be furnished by the registered owner of the mark, as of the notice date or by a duly registered user and, that any use shown by such evidence, must be use by the registered owner or a duly registered user and not be by an assignee, as in the instant case. He consequently argues that the evidence filed in this case - by an assignee - is inadmissible and a decision of expungement should follow.

I must agree with the main import of this argument, however, in my respectful opinion, the *Marcus* case, *supra*, goes beyond this determination and contemplates the nunc pro tunc recordal of an assignment in similar circumstances. The *Marcus case* is an appeal on the *Star-Kist case*², which in turn is an appeal on a decision by the Registrar.

Prior to the *Star-Kist* case: the Registrar had adopted the position that the recordal of a transfer under S. 48 (previously 47) is a simple administrative procedure and that as long as the proper documents are filed and the prescribed fee satisfied, he had no other duty than to record the documents as requested. In *Star-Kist, supra*, the Registrar went on to rationalize that once he had registered a transfer - nunc pro tunc where requested - he had no authority to review that recordal in a subsequent S. 45 proceeding. At that point in time, the Registrar had also adopted the policy that evidence of use furnished by an assignee and evidence showing use by an assignee (legal owner, owner in fact, etc.) was admissible evidence in S. 45 proceedings. While the Trial Division was satisfied with this position, the Court of Appeal was not.

As I understand it, in the *Marcus* case, the learned judges of The Federal Court of Appeal unanimously clarified the jurisprudence. They ruled that in a S. 45 proceeding where a transfer has been recorded nunc pro tunc, the Registrar; and the Court in turn, had to review the transfer documents and rule on their effective date.

In the *Marcus/Star-Kist* case, the transfer document was headed "ASSIGNMENT NUNC PRO TUNC" and purported to transfer the rights in the mark retroactively. The transfer document was dated subsequent to the notice date and there was no showing of a transfer having been made prior to that date. The Court ruled that such a recordal did not establish a prior transfer as claimed, but one as of the date of the transfer document. Simply stated, it is the recordal on the register that can be effected nunc pro tunc, not the assignment and nunc pro tunc recordals to be valid must be accompanied by cogent evidence of a prior transfer, as claimed.

In the instant case, I have reviewed the transfer documents - on the Trademarks Office file No. 294,402 - filed with our Assignment Section and I am satisfied that they confirm a pertinent transfer of the mark with effective date of October 30, 1984.

Therefore, for the purpose of this S. 45 proceeding, I am satisfied that the evidence of use was furnished by the proper party and that any use shown thereby accrues to The Lunkenheimer Company (an Ohio Corporation).

On the second issue, as to whether the evidence is sufficient to satisfy the requirements of the Act, I am satisfied that it does. The affidavit is straightforward, contains a clear assertion of use in association with some of the wares which it lists, it concedes non-use with some wares which it also lists. The exhibits, while not overwhelming, do show commercial activities in Canada. Like counsel for the requesting party, I am also curious as to the reason why the registrant did not furnish sales invoices to establish the alleged sales in Canada; however as properly argued by counsel for the registrant S. 45 does not require evidentiary overkill. The purchase

2, Star-Kist Foods Inc., V .Registrar of Trade-marks (1985) 3 **C.P.R.**, (3d) 208.

orders and shipping documents provided are in my opinion sufficient to establish some commercial activities in Canada. It matters not that some of these documents are stamped F.O.B. Ohio, this argument, as properly argued by counsel for the registrant, was put to rest in the Manhattan Case. The association between the mark and the wares is adequately adduced at paragraph 9 of the affidavit and the catalogue filed in exhibit substantiates the statement.

On the question of whether the commercial activities evidenced by the exhibits, were performed in the registrant's normal course of trade, I can see no reason to conclude otherwise, the registrant is a manufacturer which sells valves and flow control accessories and devices and sales in Canada have been demonstrated. As previously stated, I would not categorize the showing of sales in Canada as overwhelming, but as properly argued the Philip Morris case has clearly established that they need not be.

Therefore, by reason of the evidence filed in these proceedings, and mindful of the arguments presented by both parties, I have concluded that the subject trade-mark is in use in Canada in association with some of its registered wares, but not with all of them. Consequently its registration ought to be amended by deleting therefrom all wares on which use has not been shown so its statement of wares will read as follows:

"Wares: gauges, pressure regulators, and water columns; lubricators, whistles, cocks, valves, grease cups and oil cups."

Registration TMA 161,269 will be amended accordingly, in compliance with the provisions of s-s 45(5) of the Trade-marks Act.

Yours truly,

li

J.P. D'Aoust
Senior Hearing Officer
for Registrar of Trade-marks

/mc

c.c. Sim & McBurney (SML 3746-6)
Suite 701
330 University Avenue
Toronto, Ontario
M5G 1R7

3. Manhattan Industries Inc. V. Princeton Manufacturing Ltd (1971) 4 C.P.R. (2d) 6.

4. Philip Morris Inc. V. Imperial Tobacco Ltd. (1987) 13 C.P.R. (3d) 289