

**In the matter of Section 45 proceedings against
Registration No. TMA118,592 for the trade-mark
GEISHA**

On April 20, 2006 at the request of Smart & Biggar, the Registrar forwarded the notice prescribed by s. 45 of the *Trade-marks Act* R.C.S. 1985 c-13 (the “Act”) to Kawasho Foods Corporation (the “Registrant”) with respect to Registration No. TMA118,592 for the trade-mark GEISHA (the “Mark”). The statement of wares of the registration reads as follows:

(1) Crab meat, tuna fish, mandarin oranges, mushrooms, fillets of sauries, oysters, salmon and clams. (2) Frozen fish including, crabmeat, shrimp, oysters, frog's legs, scallops, sword-fish, red snapper, tuna, smelts, squid and salmon and also frozen fruits including mandarin oranges and peaches.

Pursuant to the provisions of s. 45 of the Act, the registered owner must show, with respect to each of the wares and/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 on which it was last used and the reason for the absence of use since that date. The relevant period in this case is anytime between April 20, 2003 and April 20, 2006. What qualifies as use of a trade-mark is defined in s. 4 of the Act.

In reply to the Registrar’s notice, the Registrant filed an affidavit of Kenichiro (Steve) Yoshiki, signed October 20, 2006 (the “Yoshiki Affidavit”). Both the requesting party and the Registrant filed written representations. Only the requesting party was represented at the oral hearing.

It is well established that the purpose and scope of s. 45 of the Act is to provide a simple, summary and expeditious procedure for removing deadwood from the register. Mere assertions of use are insufficient to demonstrate use [see *Aerosol Fillers Inc. v. Plough (Canada) Ltd.* (1979), 45 C.P.R. (2d) 194 (F.C.T.D.); aff’d 53 C.P.R. (3d) 62 (F.C.A.)]. A recipient of a notice pursuant to s. 45 of the Act must put forward evidence showing how it has used the trade-mark in order that the Registrar may assess if the facts qualify as use of the trade-mark pursuant to s. 4 of the Act. However, it has also been held that evidentiary overkill is not required when use can be shown in a simple, straightforward fashion [see

Union Electric Supply Co. v. Registrar of Trade Marks (1982), 63 C.P.R. (2d) 56 (F.C.T.D.)). It is well established that ambiguities in the evidence are to be interpreted against the interests of the registered owner. In that regard, I note the following comments of Mr. Justice Cattanach in *Aerosol Fillers Inc.*, *supra*, at pp. 198-199:

“The allegations in an affidavit should be precise and more particularly so with respect to an affidavit under section 44(2) [now s. 45(2)] because that is the only affidavit to be received. It should not be susceptible of more than one interpretation and if it is then the interpretation adverse to the interest of the party in whose favour the document was made should be adopted.”

From the outset I note that in its written representations the Registrant concedes that the Yoshiki Affidavit only refers to use of the Mark in association with frozen crabmeat and that no special circumstances were put forward to justify non-use of the Mark in association with the following wares: tuna fish, mandarin oranges, mushrooms, fillets of sauries, oysters, salmon and clams, frozen fish including shrimp, oysters, frog's legs, scallops, sword-fish, red snapper, tuna, smelts, squid and salmon, frozen fruits including mandarin oranges and peaches. In view of the Registrant's admissions, the following wares will be deleted from the registration:

“(1)...tuna fish, mandarin oranges, mushrooms, fillets of sauries, oysters, salmon and clams. (2)...shrimp, oysters, frog's legs, scallops, sword-fish, red snapper, tuna, smelts, squid and salmon and also frozen fruits including mandarin oranges and peaches”

Although not specifically argued by the Registrant in its written representations, I conclude that the Registrant is of the view that the evidence introduced by the Yoshiki Affidavit applies to both “crabmeat” and “frozen fish including crabmeat”.

As it is relevant to the present proceedings, I note that the registration page shows that the Registrant became the owner of the Mark by assignment from Kawasho Corporation on October 1, 2004, which assignment was recorded on February 15, 2005. Thus, the following comment at page 4 of the Registrant's written representations is incorrect: “The records of the Canadian Intellectual Property Office clearly demonstrate an assignment of

the trade-mark from Kawasho Corp [*sic*] to Kawasho Foods Corporation on October 1, 1994.”

The requesting party made various submissions regarding hearsay, lack of clarity and lack of precision in the Yoshiki Affidavit. At the oral hearing, counsel for the requesting party went so far as to allege that the Yoshiki Affidavit was “carefully drafted”, implying that the affidavit was intended to obscure the true facts, if not to deliberately mislead the Registrar. Without subscribing to this view, I agree that the Yoshiki Affidavit is open to criticism in several areas, as discussed hereafter.

Mr. Yoshiki states that he has been Senior Vice President of JFE Shoji Trade America Inc. (“JFE Shoji”) for the last year. He further states that JFE Shoji, a United States Corporation, and the Registrant, a Japanese corporation, are related through their parent company JFE Shoji Holdings, Inc. (“Shoji Holdings”) and are both wholly owned subsidiaries of Shoji Holdings [paragraphs 1 to 3]. Mr. Yoshiki does not explain what relationship, if any, JFE Shoji had with the Registrant’s predecessor-in-title, Kawasho Corporation.

Mr. Yoshiki states that the Registrant’s commercial activities are concentrated in the “foodstuffs operations” business segment of Shoji Holdings, which is one of Shoji Holdings’ four (4) business segments [paragraphs 4 and 5]. He goes on to state that as part of the “foodstuff operations” segment, JFE Shoji handles “the American sales of Kawasho’s Products” (these products are defined in the Yoshiki Affidavit as the registered wares) [paragraph 6]. Mr. Yoshiki further states that the Registrant “carries on business as a manufacturer and distributor of Kawasho’s Products, such as GEISHA’s crabmeat” [paragraph 7]. As correctly noted by the requesting party, Mr. Yoshiki does not state that JFE Shoji has handled the sales of the Registrant’s products during the relevant period nor does he state that the Registrant has carried on business in Canada during the relevant period. In addition, I find that the reference to “American sales” is susceptible of more than one interpretation, in that it could be a reference to sales in the United States of America, in North America or, for that matter, in the entire Western Hemisphere. If Mr. Yoshiki meant

to refer to sales in the United States of America, as I think it is how one would reasonably react to “American sales”, than he fails to explain how JFE Shoji handling sales in the United States is relevant to Canada.

Mr. Yoshiki states that because of his functions and position, he is generally aware of the Registrant’s business in Canada and of the circumstances surrounding the present proceedings, having access to all the relevant documents and information [paragraph 8]. He further states that he has full authority to represent the Registrant in the present proceedings and is equally authorised to subscribe his affidavit in reply to the Registrar’s notice [paragraph 9]. The requesting party argues that Mr. Yoshiki does not explain what his functions are or how his position as Senior Vice President of JFE Shoji would make him aware of the business of the Registrant in Canada. Since Mr. Yoshiki states having access to all the relevant documents and information, I am prepared to consider his affidavit as admissible evidence in these proceedings. I would like to add that even if I am wrong in doing so, the overall outcome in the present case would be the same since, for the reasons set out below, I am not satisfied that the Yoshiki Affidavit evidences use of the Mark in association with “crab meat” and “frozen fish including, crabmeat”, within the meaning of s. 45 of the Act, in the manner required by s. 4 of the Act.

I reproduce hereafter paragraphs 11 through 17 of the Yoshiki Affidavit relating to the use of the Mark in Canada:

11. As an illustrative but not exhaustive example of the sales of the Products with which the TRADE-MARK are associated, I attach hereto in [*sic*] as **Exhibit SY-1** in support of my affidavit, an invoice dated July 16, 2004 which represent [*sic*] the sale and delivery to Maloney Seafoods, an entity situated in the United States, of **frozen crab sections** with which the TRADE-MARK is associated. The TRADE-MARK is clearly visible on said invoice.
12. As indicated on the SY-1 invoice, the frozen crab sections sold to Maloney Seafood were exported from Old Pelican, Newfoundland, Canada to the United States through Kawasho’s [the Registrant] agent.

13. Through said agent, Kawasho, as the owner of the TRADE-MARK, has control over the character or quality of the Products, then [*sic*] the use, advertisement and display of the TRADE-MARK in Canada.
14. Such control is exercised following the guidelines established by Kawasho.
15. One way of controlling the use of the TRADE-MARK is to ensure that it is properly affixed, in Canada, on the containers in which they are packaged prior to their export from Canada to the United States, and of course the quality of the crabmeat.
16. Illustrative of the packaging on which figures the TRADE-MARK covered by SY-1 invoice is a card box on which the TRADE-MARK is printed, which card box is marked as **Exhibit SY-2** to this my affidavit and which is the marking used during the Relevant Period.
17. I know that Kawasho systematically requires that the Mark figures on every container exported from Canada.

The invoice of July 16, 2004 apparently relates to the sale of 20 pounds packages of frozen crab sections. The invoice displays “(Geisha Brand)” under the heading DESCRIPTION OF GOODS. It identifies Canada as the country of manufacture. Quin-Sea Fisheries Limited, in Newfoundland, is identified as “exporter, shipper, seller” and Maloney Foods c/o World Wide Food Products, in the United States, is identified as “consignee”. There is also a reference to Deringer as customs broker. There is no information on the invoice with respect to the Registrant or with respect to Kawasho Corporation, its predecessor-in-title. JFE Shoji’s name does not appear on the invoice.

I find it not without merit for the requesting party to argue that the reference to an unnamed agent at paragraph 12 of the Yoshiki Affidavit is ambiguous. In any event, even if I am to infer that the reference to “Kawasho’s agent” is a reference to Quin-Sea Fisheries Limited, there is no explanation on the relationship between Quin-Sea Fisheries Limited and Kawasho Corporation, the owner of the Mark on July 16, 2004. Furthermore, since the Yoshiki Affidavit does not explain what relationship, if any, the Registrant had with the previous owner of the Mark, I agree with the requesting party that it is unclear how or why the Registrant would have had any involvement with respect to the export of frozen crabmeat associated with the Mark prior to the assignment of October 1, 2004. In other

words, the Yoshiki Affidavit does not give us any specifics regarding the nexus between the sales of July 16, 2004 and the Registrant. Having regard to the foregoing, I do not afford any significance to Exhibit SY-1 as evidence in these proceedings.

Exhibit SY-2 appears to be photocopies of the front and side of a card box for 2 pounds of frozen crab legs and claws. The card box displays the Mark. The requesting party argues that because the card box does not comply with the labelling requirements of the U.S. *Food and Drugs Act*, it could not possibly be illustrative of the card box within which the goods referred to in the invoice were packaged. Suffice it to say that it has been held in many instances that compliance with statutes other than the Act is not a relevant consideration in proceedings under s. 45 of the Act [see *Lewis Thomson & Sons Ltd. v. Rogers, Bereskin & Parr* (1988), 21 C.P.R. (3d) 483 (F.C.)]. The requesting party also argues that the card box could not possibly be illustrative of the one within which the goods referred to in the invoice were packaged as the invoice is for 20 pounds packages. Although the requesting party's contention is not without merit, it is a moot point since, as previously indicated, I do not afford any weight to the invoice.

Even if I were to accept Exhibit SY-2 as representative of packaging used during the relevant period, Mr. Yoshiki does not clearly state that it is representative of packaging used in Canada. I am not prepared to infer from the Yoshiki Affidavit that Exhibit SY-2 is representative of a card box that would have been used in Canada by the owner of the Mark during the relevant period.

Finally, the bare allegation at paragraph 17 does not constitute evidence of use of the Mark in Canada pursuant to s. 4(3) of the Act at anytime whatsoever.

In the end, I agree with the requesting party that the Yoshiki Affidavit is too ambiguous to permit me to conclude that the Mark has been used in association with "crab meat" and "frozen fish including, crabmeat" in the manner required by s. 4 of the Act within the meaning of s. 45 of the Act.

Having regard to the foregoing, Registration No. TMA118,592 will be expunged in compliance with the provisions of s. 45(5) of the Act.

DATED AT MONTREAL, QUEBEC, THIS 23rd DAY OF DECEMBER 2008.

Céline Tremblay
Member
Trade-marks Opposition Board