



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

Citation: 2016 TMOB 190
Date of Decision: 2016-12-16

IN THE MATTER OF A SECTION 45 PROCEEDING

BCF LLP

Requesting Party

and

THAT Corporation

Registered Owner

TMA744,388 for DBX-TV

Registration

[1] This is a decision involving a summary expungement proceeding with respect to registration No. TMA744,388 for the trade-mark DBX-TV (the Mark), owned by THAT Corporation, a legal entity (the Owner).

[2] The Mark is registered for use in association with the following goods “Audio noise reduction systems associated with the BTSC television transmission and reception system for use in television broadcast, generation and/or reception” (the Products).

[3] For the reasons that follow, I conclude that the registration ought to be maintained.

The Proceeding

[4] On June 2, 2015, the Registrar of Trade-marks sent a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) to the Owner of the Mark. The notice was sent at the request of BCF LLP (the Requesting Party).

[5] The notice required the Owner to furnish evidence showing that it had used the Mark in Canada, at any time between June 2, 2012 and June 2, 2015 (the Relevant Period), in association with each of the registered goods. If the Mark had not been so used, the Owner was required to furnish evidence providing the date when the Mark was last used and the reasons for the absence of use since that date.

[6] Section 4(1) of the Act sets out the relevant definition of “use” in association with goods:

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.

[7] It is 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”. Mere statements of use are insufficient to prove use [*Plough (Canada) Ltd v Aerosol Fillers Inc* (1980), 53 CPR (2d) 62 (FCA)]. The criteria for establishing use are not demanding [see *Woods Canada Ltd v Lang Michener et al* (1996), 71 CPR (3d) 477 (FCTD)] and an overabundance of evidence is not necessary [see *Union Electric Supply Co v Canada (Registrar of Trade-Marks)* (1982), 63 CPR (2d) 56 (FCTD)]. Nevertheless, sufficient evidence must still be provided to allow the Registrar to conclude that the Mark was used in association with each of the registered goods specified in the registration [*Uvex Toko Canada Ltd v Performance Apparel Corp*, 2004 FC 448, 31 CPR (4th) 270].

[8] In response to the Registrar’s notice, the Owner filed the affidavit of Denise Novelline, Marketing Director of the Owner, sworn on January 4, 2016.

[9] Both parties filed written representations; a hearing was not requested.

The Evidence

[10] Ms. Novelline states that prior to her present position with the Owner, she was its Marketing Communication manager for 12 years.

[11] In her affidavit, Ms. Novelline attests that “BTSC television transmission” in the statement of goods refers to a type of television broadcast adopted by the Broadcast Television Standard Committee (BTSC) for the audio component of analog television broadcasts. She explains that BTSC became the North American standard for the audio component of analog broadcasts in 1984 with many countries, including Canada, adopting BTSC variations shortly thereafter.

[12] Ms. Novelline also attests “audio noise reduction systems” in the statement of goods is “a TV component of technology which reduces static or other loss of broadcast quality”. She goes on to state that “Thus, the product covered by the Mark consists of components which minimize interference or loss of fidelity experienced by televisions or television receivers configured to receive BTSC-standard audio broadcasts.”

[13] Ms. Novelline asserts that all the products referred to in her affidavit are all within the scope of registration as they incorporate these aforementioned components.

[14] Ms. Novelline states that the Owner has three licensees: Hisense Electric Co. Ltd (Hisense); Sigma Design and its subsidiary Hauppauge (Hauppauge); and Geneva Lab Corporation (Geneva).

[15] With respect to Hisense, Ms. Novelline attests that Hisense produces and sells in Canada under license televisions which contain components incorporating DBX-TV noise reduction technology and which are sold in association with the Mark. In support of such allegation, attached as exhibit B to her affidavit are portions of the license agreement with Hisense, which has an effective date of June 20, 2014. She refers to clause 8 of the agreement to demonstrate that the Owner exercises “strict control” over the quality of televisions produced and sold in association with the Mark by Hisense.

[16] Ms. Novelline further states that Hisense made sales in Canada during the Relevant Period and attached to her affidavit as exhibit C is a “royalty invoice” for the second quarter of 2015. I note that the invoice is dated June 30, 2015. Ms. Novelline attests that such invoice relates to the 1060 television sets sold in Canada by Hisense from April 1, 2015 to June 30, 2015.

[17] Ms. Novelline asserts that despite the fact that the invoice filed extends partially beyond the Relevant Period she believes that at least one of the 1060 televisions was sold prior to June 2, 2015. In this respect, she refers to invoices dated May 23, 2015 and May 30, 2015 documenting sales of televisions by Hisense International to Hisense Canada and attached as exhibit D to her affidavit.

[18] Ms. Novelline refers to clause 7 of the license agreement wherein Hisense has the obligation to include the Mark “on its televisions and/or their packaging”. She adds that Hisense also promotes its products by using the Mark on its website; attached as exhibit E to her affidavit is a screenshot of a product page for a TV that is advertised as incorporating the DBX-TV technology.

[19] Ms. Novelline further explains that the Mark is also featured on the user manual for Hisense’s televisions; attached as exhibit F to her affidavit is an extract of such a manual.

[20] Ms. Novelline also states that the Mark is displayed on the menu screen of Hisense televisions; attached as exhibit G is a copy a picture of such menu screen. The Mark is displayed on the screen.

[21] With respect to the licensee Hauppauge, Ms. Novelline attests that Hauppauge produces and sells “components” which allow computer users to watch television channels using their computer instead of their television. She confirms that such “components” incorporate DBX-TV noise reduction technology and are sold in association with the Mark pursuant to a licence agreement between the parties.

[22] Ms. Novelline did not file any license agreements other than the one with Hisense. However, Ms. Novelline states that “[the Owner] has the right to exercise quality control over the products produced by the other licensee in association with the products”.

[23] Ms. Novelline asserts that Hauppauge made sales in Canada under the licence during the Relevant Period; attached as exhibit H are the relevant portions of a “royalty report” for the fourth quarter of 2014 as well as the “royalty invoice” (exhibit I) issued for the same period.

[24] Ms. Novelline adds that Hauppauge promotes products which contain DBX-TV technology on its website in association with the Mark; attached as exhibit J is a screenshot of Hauppauge's website. Ms. Novelline confirms that the screenshot was taken after the Relevant Period but also confirmed that such page existed during the Relevant Period.

[25] Finally, with respect to the licensee Geneva, Ms. Novelline attests that Geneva produces and sells product referred to as the "Model Cinema" which is a television stand/sound system which includes components incorporating DBX-TV noise reduction technology components.

[26] Ms. Novelline attests that Geneva made sales of these Model Cinemas in association with the Mark in Canada during the Relevant Period; attached as exhibit K to her affidavit is an invoice dated May 27, 2015 documenting the sale of six Model Cinemas to a customer at an Ontario address.

[27] Ms. Novelline asserts that Geneva promotes its Model Cinema in association with the Mark on its e-commerce website, "such that consumers would receive notice that the Mark was used in association with the Model Cinema at time of sale through the website"; attached as exhibit L to her affidavit is a screenshot from Geneva's website, which describes the Model Cinema product. Again, she confirms that the screenshot was taken after the Relevant Period but she states that such page existed during the Relevant Period. Although she identifies the page as an "order page", I note that no ordering information is displayed and that appears to simply be an advertisement describing the features of the product.

Analysis of the evidence

[28] In brief written representations, the Requesting Party argues that:

- The evidence filed shows sales of television sets and not the Products;
- As for the sales in Canada, the Mark would appear on the instruction booklet, which would normally be located in a sealed box at the time of transfer of property or possession. There is no evidence that the Mark was visible at the time of transfer of any product in Canada.

Sales of television sets as opposed to the Products

[29] Even if Ms. Novelline refers to products other than television sets that incorporate the Products, the Requesting Party takes issue over the television sets referred to in Ms. Novelline's affidavit. I agree with the Requesting party that the evidence furnished only shows sales of television sets in Canada. However, as explained by Ms. Novelline, television sets referred to in her affidavit incorporate components that are "audio noise reduction system" correlating with the registered goods. As such, I am satisfied that any transfer of such television sets constitutes transfer of the registered goods.

Visibility of the Mark at the time of transfer of the Products in the case of Hisense

[30] Essentially, the Requesting Party argues that there has been no evidence of use of the Mark in Canada during the Relevant Period as the Mark would not have been visible at the time of any transfer of possession.

[31] In this case, there is no evidence of display of the Mark on the goods directly or their packaging. However, section 4(1) of the Act provides for use of a trade-mark if, at the time of transfer of property in or possession of the goods, "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". In this respect such notice of association can be found when the trade-mark appears on a user guide which accompanies the goods at the time of transfer [see for example *Brouillette Kosie Prince v. Axon Development Corp.* 2005 CarswellNat 3771, (2005) 50 CPR (4th) 273 (TMOB)].

[32] As explained by Ms. Novelline, the Products are incorporated either in television sets or television receivers. She states that the user manual accompanies all televisions sold in Canada by its licensee Hisense. I confirm that the Mark appears on the extract of the user manual she filed (exhibit F).

[33] As such, I am satisfied that there is evidence of use of the Mark in association with the Products.

[34] Since the evidence shows that there have been sales in Canada of television sets incorporating the Products in association with the Mark during the Relevant Period by the Owner's licensee Hisense, I conclude that the Owner has satisfied its burden under section 45. Therefore, it will not be necessary for me to consider whether the evidence of use of the Mark by Hauppauge and Geneva is also in compliance with section 4(1) of the Act.

Conclusion

[35] Accordingly, pursuant to the authority delegated to me under section 63(3) of the Act and in compliance with section 45 of the Act, registration No. TMA744,388 will be maintained on the register.

Jean Carrière
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

**TRADE-MARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

No Hearing Held

AGENT(S) OF RECORD

Smart & Biggar

FOR THE REGISTERED OWNER

BCF LLP

FOR THE REQUESTING PARTY