



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

**Citation: 2017 TMOB 13**  
**Date of Decision: 2017-02-13**

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

**Twin River Law LLP**

**Requesting Party**

**and**

**Continental Capital Investments Inc. /  
Continental Investissements Capital Inc.**

**Registered Owner**

**TMA725,878 for FULLUM**

**Registration**

[1] At the request of Twin River Law LLP (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) on July 24, 2014 to Arrow Manufacturing Incorporated (the Registrant), the registered owner at that time of registration No. TMA725,878 for the trade-mark FULLUM (the Mark).

[2] The Mark is registered for use in association with the following goods: “Belts, leather accessories, namely, wallets, pocketbooks, purses, toiletry cases, briefcases, portfolios and key fobs; suspenders, jewellery and garters”.

[3] The notice required the registered owner to furnish evidence showing that the Mark was in use in Canada, in association with the goods specified in the registration, at any time between July 24, 2011 and July 24, 2014. If the Mark had not been so used, the registered 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.

[4] The relevant definition of “use” in association with goods 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.

[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 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 [*John Labatt Ltd v Rainer Brewing Co et al* (1984), 80 CPR (2d) 228 (FCA)].

[6] As discussed below, on October 7, 2014, the Registrar recorded a change in title of the registration to Continental Capital Investments Inc. / Continental Investissements Capital Inc. (the Owner).

[7] In response to the Registrar's notice, the Owner furnished the affidavit of its President, Andrew Chelminski, sworn on February 20, 2015, and the affidavit of Andréanne Muzzo-Bédard, an employee of the Owner's trade-mark agent Guy & Muzzo Inc., sworn on February 19, 2015. Neither party filed written representations; an oral hearing was not requested.

#### The Owner's Evidence

[8] In his brief affidavit, Mr. Chelminski attests that the Owner acquired the Mark from the Registrant's trustee in bankruptcy on November 8, 2013. A copy of the Memorandum of Agreement of Sale and Purchase setting out the terms of the acquisition is attached as Exhibit A to his affidavit.

[9] Mr. Chelminski states that the Owner was unable to obtain evidence of use of the Mark from the Registrant's trustee in bankruptcy or to obtain the "collaboration" of the Registrant's prior directors. However, Mr. Chelminski states that the Owner itself has "made efforts" to resume use of the Mark since November 8, 2013. More particularly, he states that the Owner has

“entered into negotiation with Custom Leather Inc. throughout the month of December 2014” and that these negotiations are “in direct connection with” the Mark. He further states that the Owner intends to use the Mark “by itself or by a licensee” in association with all of the registered goods and “intends to resume use of the Mark within the next six (6) months.”

[10] As for the affidavit of Ms. Muzzo-Bédard, she provides the results of various internet searches she conducted to obtain information about the Registrant’s prior use of the Mark. Specifically, Ms. Muzzo-Bédard attaches the following exhibits to her affidavit:

- Exhibit 1 consists of screenshots and printouts showing Google search result pages for “fullum belts” and “fullum handbags”, as well as two webpages that Ms. Muzzo-Bédard attests were found through these searches. The various pages contain references to “Fullum & Holt” beside images of handbags and belts. On most of the depicted products, the trade-mark is not legible. However, in one close-up image, the Mark is partially visible on what appears to be a handbag clasp. I note that one of the printouts contains an article from the webpage *www.frontrowmag.com*, which indicates that Fullum & Holt is a “leather goods” business whose “handbags and belts” were available “at Ogilvy (in Quebec) and Holt Renfrew (across Canada)” in March 2010.
- Exhibit 2 consists of screenshots from the Internet Archive at *www.archive.org*, showing archived webpages from *www.fullumandholt.com* from November 2013, June 2013, December 2011 and August 2008. The first three screenshots show close-ups of buckles on straps or belts, under the headings “FULLUM”, “FULLUM&HOLT” and “FH”. The final screenshot shows Fullum & Holt’s contact information.
- Exhibit 3 is a printout of the Registrant’s corporate particulars from the Québec Enterprise Register database. I note that “FULLUM”, “FULLUM AND HOLT” and “FULLUM ET HOLT” are listed among the Registrant’s trade names.

#### Analysis - Use of the Mark during the Relevant Period

[11] At the outset, I note that neither Mr. Chelminski nor Ms. Muzzo-Bédard claim to have personal knowledge that the Mark was used in Canada during the relevant period.

[12] Accordingly, the exhibited webpages attached to Ms. Muzzo-Bédard's affidavit are, for the most part, hearsay and not particularly probative. At best, one could speculate that some FULLUM-brand "purses" and "belts" were available for sale online during the relevant period, although there is no evidence that any of these goods would be shipped to Canadian customers.

[13] In any event, there is no evidence before me of any transfers of any of the registered goods, whether in association with the Mark or otherwise. In the absence of further particulars or even representations from the Owner, I am not prepared to make any inferences that would allow me to conclude that the Mark was used in the normal course of trade during the relevant period in association with any of the registered goods.

[14] In view of the foregoing, I am not satisfied that 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.

#### Analysis - Special Circumstances

[15] In the absence of evidence of use of the Mark, the issue is whether, pursuant to section 45(3) of the Act, special circumstances existed to excuse such non-use.

[16] The general rule is that absence of use should result in expungement, but there may be an exception where the absence of use is due to special circumstances [*Scott Paper Ltd v Smart & Biggar*, 2008 FCA 129, 65 CPR (4th) 303].

[17] To determine whether special circumstances have been demonstrated, the Registrar must first determine why the trade-mark was not used during the relevant period. Second, the Registrar must determine whether those reasons for non-use constitute special circumstances [*Registrar of Trade Marks v Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 (FCA)]. Special circumstances means circumstances or reasons that are unusual, uncommon, or exceptional [*John Labatt Ltd v Cotton Club Bottling Co* (1976), 25 CPR (2d) 115 (FCTD)].

[18] If the Registrar determines that the reasons for non-use constitute special circumstances, the Registrar must still decide whether such circumstances *excuse* the period of non-use. This determination involves the consideration of three criteria: (1) the length of time during which the

trade-mark has not been in use; (2) whether the reasons for non-use were beyond the control of the registered owner; and (3) whether there exists a serious intention to shortly resume use [per *Harris Knitting Mills, supra*].

[19] The intention to shortly resume use must be substantiated by “a sufficient factual basis” [*NTD Apparel Inc v Ryan*, 2003 FCT 780, 27 CPR (4th) 73 (FCTD) at paragraph 26; see also *Arrowhead Spring Water Ltd v Arrowhead Water Corp* (1993), 47 CPR (3d) 217 (FCTD)].

[20] All three criteria are relevant, but satisfying the second criterion is essential for a finding of special circumstances excusing non-use [per *Scott Paper, supra*].

[21] In this case, the Owner did not file representations and the evidence furnished does not speak directly to the reasons for non-use of the Mark during the relevant period. Presumably, though, the reasons for non-use relate to the bankruptcy of the Registrant.

[22] However, it is well established that, generally, unfavourable market conditions are not the sort of uncommon, unusual or exceptional reasons for non-use that constitutes special circumstances [see, for example, *Harris Knitting Mills, supra*; and *John Labatt, supra*]. Bankruptcies are sometimes unfortunate, sometimes necessary consequences of unfavourable market conditions. It follows, then, that non-use due to the bankruptcy of a trade-mark owner does not, in itself, constitute reasons for non-use amounting to special circumstances [see also *MG Icon LLC v Les Ventes Universelles SH Inc*, 2012 TMOB 256].

[23] In the present case, the furnished affidavits do not provide any details regarding the circumstances surrounding the Registrant’s bankruptcy or the Owner’s subsequent acquisition of the Mark. As such, I cannot conclude that the reasons for non-use of the Mark amounted to special circumstances.

[24] In any event, even if I were to accept that the bankruptcy of the Registrant could be considered “unusual, uncommon, or exceptional” circumstances, I am not satisfied that they *excuse* the period of non-use in this case. In this respect, I am not satisfied that the Owner has satisfied the criteria set out in *Harris Knitting Mills*.

[25] First, I note that in the case of an assignment due to bankruptcy such as this, the date of assignment *can* be deemed to be the relevant date for purposes of the first criterion [see *GPS, supra*]. Furthermore, it is reasonable to assume that a new owner will need some time to make arrangements to use the newly acquired trade-mark [see *Baker & McKenzie v Garfield's Fashions Ltd* (1993), 52 CPR (3d) 274 (TMOB)].

[26] However, an owner must establish that the reasons for any delay in resuming use were beyond its control [per *Scott Paper, supra*; see also *Morrison Brown Sosnovitch LLP v Jax and Bones Inc*, 2014 TMOB 280, CarswellNat 6252]. Moreover, the owner must provide details showing a serious intention to resume use of the trade-mark in the near future [see *WIPG AG v Wico Distribution Corp* (1999), 2 CPR (4th) 388 (TMOB); and *Arrowhead Spring Water, supra*].

[27] In the present case, although Mr. Chelminski mentions a lack of “collaboration” from the Registrant’s prior directors, he does not state whether this lack of collaboration affected the Owner’s ability to resume use of the Mark. Moreover, with the exception of the negotiations in December 2014, Mr. Chelminski does not reference any of the arrangements necessary to resume use of the Mark. Nor does he describe any particular difficulties impeding such arrangements. For example, although the aforementioned negotiations did not begin until a year after the Mark was acquired, Mr. Chelminski provides no explanation for that delay. In the absence of particulars, it is difficult to conclude that the delay in resuming use of the Mark following its acquisition was due to factors beyond the Owner’s control.

[28] In addition, Mr. Chelminski’s assertion that the Owner intends to resume use of the Mark is vague and unsubstantiated. For example, although Mr. Chelminski states that use is intended to resume within the “next six months”, he does not indicate whether this timeframe is for *all* of the registered goods or whether use will begin with only *some* of the registered goods, such as the purses and belts. Nor does he indicate whether use of the Mark is intended to resume *in Canada*.

[29] Furthermore, although Mr. Chelminski states that the Owner entered into negotiations with “Custom Leather Inc.”, he does not indicate what products or services Custom Leather Inc. will provide to enable use of the Mark. As well, he does not reveal the status of such negotiations as of the date of his affidavit.

[30] Absent further particulars, I am not satisfied that the Owner has demonstrated a serious intention to shortly resume use of the Mark in Canada in association with the registered goods.

[31] In view of the foregoing, even if I were to conclude that the Registrant's bankruptcy and subsequent acquisition of the Mark by the Owner in this case constitutes special circumstances, I would not be satisfied that the circumstances set out in the evidence excuse the period of non-use.

[32] Accordingly, I am not satisfied that the Owner has demonstrated special circumstances excusing non-use of the Mark during the relevant period within the meaning of section 45(3) of the Act.

Disposition

[33] In view of all the foregoing, 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

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

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No Hearing Held

Agents of Record

Guy & Muzzo Inc.

For the Registered Owner

Twin River Law LLP

For the Requesting Party