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

**Citation: 2017 TMOB 140**

**Date of Decision: 2017-10-11**

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

**Keurig Green Mountain, Inc.**

**Requesting Party**

**and**

**Bedessee Imports Ltd.**

**Registered Owner**

**TMA400,474 for RED BARN**

**Registration**

[1] At the request of Keurig Green Mountain, Inc. (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 February 25, 2016 to Bedessee Imports Ltd. (the Owner), the registered owner of registration No. TMA400,474 for the trade-mark RED BARN (the Mark).

[2] The Mark is registered for use in association with the following goods:

Fresh, frozen and canned meats, dairy products, namely, ghee, butter, chocolate milk, margarine; vegetable oil, vegetable ghee, noodle products, namely chowmein, vermicelli, macaroni, flours, rice, peas and beans, spices ground and whole.

[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 February 25, 2013 to February 25, 2016.

[4] The relevant definition of use with respect to 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 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 [*John Labatt Ltd v Rainier Brewing Co et al* (1984), 80 CPR (2d) 228 (FCA)].

[6] In response to the Registrar's notice, the Owner furnished the affidavit of Rayman Bedessee, Vice-President of the Owner, sworn on April 19, 2016 in Toronto. Both parties filed written representations; a hearing was not requested.

#### THE OWNER'S EVIDENCE

[7] In his affidavit, Mr. Bedessee attests that the Owner is located in Toronto and sells "over 2000 various food and non-food products, including a wide range of spices, oil, agriculture products, frozen products (fish, meats and vegetables), beverages, juices and drinks." He states that the goods sold in association with the Mark are sold through a variety of outlets, such as specialty stores retailers, traditional grocery stores and supermarkets across Canada, as well as through restaurants, restaurant dealers and industrial clients. He explains that the Owner's retail customers sell the goods to the general public, that the Owner's restaurant customers use the goods for "their everyday cooking needs", and that the Owner's industrial clients purchase RED BARN products in bulk for use in their own products.

[8] Mr. Bedessee attests that customers may also purchase RED BARN products through the Owner's website, *www.bedessee.com*.

[9] Mr. Bedessee confirms that the Mark appears on the packaging of the goods sold by the Owner, including on labels attached to the exterior of containers for bulk and frozen products.

[10] In support, attached to his affidavit are the following exhibits:

- Exhibit A consists of photographs of containers of frozen meats sold in Canada by the Owner. Mr. Bedessee confirms that the frozen meats are "ox tail beef, ox tails cow American and ox tails steer". The Mark appears on the container.
- Exhibit B consists of photographs of canned meat, which Mr. Bedessee confirms are "corned beef, sausages and luncheon meats" sold in Canada by the Owner. Again, the Mark appears on the container.
- Exhibit C is a label for RED BARN "corned beef" that Mr. Bedessee attests is currently sold in Canada.
- Exhibit D consists of sample labels for "vegetable oil, tapioca flour, split pea flour, ox tails steer, ox tails cow American, ox tails beef, coconut oil, and chick peas" that Mr. Bedessee attests are sold in Canada by the Owner. The Mark appears on each of the labels.
- Exhibits E through J consist of actual cans of the Owner's RED BARN products, namely corned beef (Exhibits E & F), chicken Vienna sausage (Exhibits G, H and I), and luncheon meat (Exhibit J). The Mark is displayed on the label of each can.
- Exhibit K consists of photographs of containers of RED BARN vegetable oil and coconut oil and a label for RED BARN "cow ghee" that Mr. Bedessee attests were sold in Canada by the Owner. Both the label and Mr. Bedessee specify that "cow ghee" is "clarified butter".

- Exhibits L through O are photographs and labels for RED BARN products that Mr. Bedessee attests are sold in Canada by the Owner, namely rice (Exhibit L), three types of flour (Exhibit M), split peas (Exhibit N) and curry powder (Exhibit O).
- Exhibits P through V consist of invoices dated from the relevant period showing sales of various RED BARN products to Canadian customers. Mr. Bedessee identifies the relevant products from each invoice as vegetable oil (Exhibit P), curry powder (Exhibit Q), rice (Exhibit R), sausages (Exhibit S), ox tails (Exhibit S), luncheon meat (Exhibit S), corned beef (Exhibit S), ghee (Exhibit T), flour (Exhibit U) and chick peas (Exhibit V). Mr. Bedessee also confirms that such invoices accompanied the goods at the time of transfer in Canada.

[11] Mr. Bedessee confirms that Exhibits A to O are representative of containers, packaging and labels for the Owner's RED BARN goods sold in the normal course of trade in Canada "since at least 2003".

[12] Mr. Bedessee attests that other products beyond the list of registered goods are also sold in Canada. For example, Exhibit W consists of labels for two types of RED BARN syrups used to flavour water.

[13] Exhibit X is a label for RED BARN "evaporated beverage whitener" that Mr. Bedessee attests is sold in Canada. As attested to by Mr. Bedessee, the label states "Lookout for new upcoming flavours cardamom, coconut, chocolate, vanilla". Although this product does not correspond directly to the registered good "chocolate milk", Mr. Bedessee explains that, in the 1990s, the Owner did import RED BARN chocolate milk from Holland. However, he notes that, as a result of changing requirements of the Canadian Food Inspection Agency (CFIA) in view of concerns regarding foot and mouth disease in Europe at the time, the Owner "temporarily refrained from importing and selling the product." Mr. Bedessee attests that the Owner continues to search for a suitable manufacturer which is able to meet the CFIA's standards.

[14] Finally, Exhibit Y consists of a "certified copy of the file history for Application No. 1,713,077 for RED BARN filed by the requesting party." Mr. Bedessee asserts that the

present section 45 proceedings “appear to have been commenced as a dispute between the requesting party and [the Owner].”

#### ANALYSIS

[15] In its written representations, the Requesting Party does not contest the clear evidence of use of the Mark in association with the following registered goods: “...frozen and canned meats, dairy products, namely, ghee ...; vegetable oil, ... flours, rice, peas ..., spices ground and whole”.

[16] Indeed, in view of the furnished labels and evidence of sales, I am satisfied that the Owner has demonstrated use of the Mark in association with “frozen and canned meats”, “dairy products, namely, ghee”, “vegetable oil”, “flours”, “rice”, “peas”, and “spices ground and whole” within the meaning of sections 4 and 45 of the Act.

[17] With respect to the remaining registered goods, the Requesting Party submits that no evidence of use of the Mark during the relevant period has been furnished, and that the registration should be amended accordingly.

[18] For its part, in relation to the registered good “butter”, the Owner submits that the registration should be maintained with respect to both “ghee” and “butter”. In this respect, as noted above, Exhibit K includes a label for RED BARN “cow ghee”, which is identified on the label and confirmed by Mr. Bedessee as “clarified butter”. Furthermore, the relevant invoices at Exhibit T identify the products sold as “GHEE BUTTER”.

[19] The Owner cites various cases in support of its submission that “use of ghee and butter is provided and a meticulous analysis of the nature of the product should not be required of the Owner.” It favourably cites the following from *Loro Piana SpA v Canadian Council of Professional Engineers*, 2008 FC 1343 at paragraph 25:

Where the language used to describe a ware has changed with common usage, but the use of the trade-mark for those wares has continued, the use of the outmoded word will be allowed to remain.

[20] However, this is not a case where terminology has changed or there is a difficult assessment of the nature of the goods in question. Indeed, the Owner's own labels identify the relevant product as both "cow ghee" and "clarified butter", with "cow ghee" being the more prominent indicator.

[21] The issue here is that, having distinguished "ghee" and "butter" in its registration, the Owner is obligated to provide some evidence with respect to each of the listed goods accordingly [per *John Labatt, supra*]. Here, the evidence shows that "cow ghee" is a particular type of butter, identified on the packaging of the goods as "clarified butter". No evidence of other types of butter sold in association with the Mark was furnished.

[22] Thus, the Owner is entitled to have the registration maintained with respect to the specific type of butter for which the evidence actually demonstrates use, "ghee". Otherwise, I am unable to identify any additional products in the evidence that would justify maintaining the registration with respect to "butter" more generally. If the Owner sold other butter products in Canada during the relevant period, this is not apparent from the evidence as a whole.

[23] With respect to the registered good "chocolate milk", the issue is whether, pursuant to section 45(3) of the Act, there were special circumstances which excuse such non-use.

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

[25] To determine whether special circumstances have been demonstrated, the Registrar must first determine, in light of the evidence, why in fact the trade-mark was not used during the relevant period. Second, the Registrar must determine whether these reasons for non-use constitute special circumstances [per *Registrar of Trade Marks v Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 (FCA)]. The Federal Court has held that special circumstances mean circumstances or reasons that are "unusual, uncommon, or exceptional" [*John Labatt Ltd v The Cotton Club Bottling Co* (1976), 25 CPR (2d) 115 (FCTD) at paragraph 29].

[26] 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

involves the consideration of three criteria: (i) the length of time during which the trade-mark has not been in use; (ii) whether the reasons for non-use were beyond the control of the registered owner; and (iii) whether there exists a serious intention to shortly resume use [per *Harris Knitting Mills, supra*].

[27] The Federal Court of Appeal offered further clarification with respect to the interpretation of the second criterion, with the determination that this aspect must be satisfied in order for there to be a finding of special circumstances excusing non-use of a trade-mark [*Scott Paper, supra*]. In other words, the other two criteria are relevant, but considered by themselves in isolation, they cannot constitute special circumstances excusing non-use.

[28] Further, the intent to resume use must be substantiated by the evidence [see *Arrowhead Spring Water Ltd v Arrowhead Water Corp* (1993), 47 CPR (3d) 217 (FCTD); and *NTD Apparel Inc v Ryan*, 2003 FCT 780, 27 CPR (4th) 73].

[29] In its written representations, the Owner submits that “the previous use of [the Mark] in association with chocolate milk, the upcoming use of chocolate flavoured evaporated beverage whitener by [the Owner], and the *inter partes* dispute between the Requesting Party and [the Owner] amount to special circumstances excusing the low amount of evidence of use of RED BARN in association with ‘chocolate milk’.”

[30] Taking at face value Mr. Bedessee’s statement that, at some point in the 1990s, the Owner ceased selling chocolate milk in Canada due to “changing requirements” of the CFIA for the import of such goods, it is not clear that the continued absence of use of the Mark during the relevant period was simply due to such requirements. Rather, at best, non-use of the Mark in association with chocolate milk during the relevant period appears to be attributable to the Owner’s continued “search for a suitable manufacturer which is able to meet the CFIA standards”.

[31] However, Mr. Bedessee provides little to no detail regarding the Owner’s efforts since the 1990s in this respect. As such, it is difficult to conclude that the reasons for non-use of the Mark in fact were attributable to the changed CFIA standards attested to by Mr. Bedessee.

[32] Even if I were to accept that the change in CFIA standards constitutes the reason for non-use of the Mark in this case, the Owner has not satisfied the three criteria set out in *Harris Knitting Mills, supra*, such that non-use of the Mark should be excused.

[33] First, the alleged last date of use of the Mark in association with chocolate milk is “the 1990s”. As such, the period of non-use amounts to approximately 20 years, if not more.

[34] Second, given that Mr. Bedessee provides no details regarding the Owner’s efforts to actually meet the changed CFIA requirements, it is not possible to determine whether the reasons for non-use were beyond the control of the Owner. Especially in light of the length of non-use, the continued non-use of the Mark appears to be more in the nature of a voluntary business decision of the Owner.

[35] Third, the evidence does not demonstrate a serious intention to resume use. The Owner refers to the “upcoming” use of the Mark in association with “chocolate flavoured evaporated beverage whitener”. Aside from both being chocolate products, it is not clear how this beverage whitener product equates to chocolate *milk*.

[36] In any event, the product label relied upon by the Owner sets out no timeframe for the introduction of the chocolate product to the Canadian marketplace. One is left in the dark as to when, if ever, use of the Mark will commence in association with this chocolate flavoured beverage whitener product.

[37] Lastly, I note that the Owner cites no relevant jurisprudence in support of its submission that the *inter partes* dispute between it and the Requesting Party contributes to the question of special circumstances in this case. Suffice to say, the mere fact that the Requesting Party may have an application pending in association with the same or similar goods has no bearing on whether the Owner has demonstrated the requisite use of the Mark or established special circumstances excusing non-use of the Mark. Certainly, nothing in the evidence before me suggests that any *inter partes* dispute affected the Owner’s ability to use the Mark in association with “chocolate milk” during the relevant period or otherwise.



[38] In view of all of the foregoing, I am not satisfied that the Owner has established special circumstances excusing any non-use of the Mark, in particular in association with the registered good “chocolate milk”.

DISPOSITION

[39] 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 amended to delete the following from the statement of goods: “Fresh [meats] ..., butter, chocolate milk, margarine; ... vegetable ghee, noodle products, namely chowmein, vermicelli, macaroni, ... and beans, ...”.

[40] The amended statement of goods will be as follows:

Frozen and canned meats, dairy products, namely, ghee; vegetable oil, flours, rice, peas, spices ground and whole.

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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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**HEARING DATE** No Hearing Held

**AGENTS OF RECORD**

Springs Intellectual Property Law

For the Registered Owner

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For the Requesting Party