



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

Citation: 2017 TMOB 143

Date of Decision: 2017-10-18

IN THE MATTER OF A SECTION 45 PROCEEDING

Riches, McKenzie & Herbert LLP

Requesting Party

and

Michael Hughes

Registered Owner

TMA823,697 for SUNBEAM

Registration

INTRODUCTION

[1] At the request of Riches, McKenzie & Herbert 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 April 1, 2016 to Michael Hughes (the Owner), the registered owner of registration No. TMA823,697 for the trade-mark SUNBEAM (the Mark).

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

Motor vehicles, namely, motorcycles, ATV's, motorized scooters, bicycles, automobiles, trucks, sports utility vehicles, go-carts; neighborhood transportation vehicles, namely, motorized golf carts all using gas, electric, hybrid, fuel cell, and other fuel means to provide locomotion; motor vehicle parts, namely, automobile bodies, automotive interior trim, and drive trains for automobiles.

[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 April 1, 2013 to April 1, 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.

[6] In response to the Registrar's notice, the Owner furnished his own affidavit, sworn on June 9, 2016 in Tennessee. Only the Requesting Party filed written representations; a hearing was not requested.

THE OWNER'S EVIDENCE

[7] In his affidavit, the Owner attests that, together with his manufacturing partners, he creates, designs and fabricates vehicles and vehicle parts. He asserts that he "solicits the sale and use" of the registered goods under the Mark in Canada and the United States. He attests that the Mark is affixed "on a conspicuous place upon Sunbeam® advertisements and [the registered goods]."

[8] The Owner attests that he has "met personally on a number of appointments with Canadian residents to negotiate and execute Sunbeam Wares marketing and dealer agreements".

Furthermore, he attests that he has “personal knowledge” of SUNBEAM vehicles “being used currently and within the last 3 years clearly marked as “Sunbeam” on the roads and highways of Canada”. In this respect, he states that, in accordance with Canadian law, “Sunbeam is among the over 30,000,000 vehicles registered and used in Canada”.

[9] The Owner attests that he holds patents for vehicle parts in Canada, including for what he refers to as “Sunbeam Vehicle-to-Trailer Adapters”. He states that “a substantial number and array of these various Sunbeam vehicle parts Wares continue to be purchased by 100’s of Canadian auto parts store franchises” and that “retail outlets ... currently purchase and use these Sunbeam Wares as evidenced by their inventory stock of our products for resale to the public”. The Owner estimates that “over a million Sunbeam Wares are currently sold and used in Canada” and he attests that “car dealerships in Canada including Ford, GM, Mazda, Toyota and more also inventory, sell and use Sunbeam vehicle parts Wares”.

[10] Lastly, the Owner attests that, in accordance with Canadian law, it requires “several years of substantial investment, design and fabrication in order to have a Sunbeam® Vehicle approved for sale in Canada.” He refers to “the recent completion of new Sunbeam Vehicles approved for Canada”, stating that he “is now finally positioned to continue Canadian sales of a number of additional New Sunbeam® Vehicles sold and used in Canada”.

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

- Exhibit A is a collection of advertisements and photographs for “Sunbeam® Make Motor Vehicles” that the Owner attests are “marketed, used, imported or sold in Canada”. One of the photographs shows the Mark displayed on one of the depicted vehicles. Although the photographs are undated, one of the advertisements refers to and shows a “2011 GX” car model.
- Exhibit B consists of two invoices. The first invoice, dated November 25, 2014, is from Sunbeam North America Corporation to a customer in British Columbia. The item invoiced is a “2015 Sunbeam OnSite R72B Refrigerated Convertible Vehicle” for \$9096. The item description includes a Vehicle Identification Number, beginning with “4S9”. The invoice identifies the Owner as the President of Sunbeam North America

Corporation.

The second invoice is dated May 18, 2016, outside of the relevant period. The Owner explains that it “shows we are beginning to expand our Canadian New Car Dealer Distribution and Sales Outlets with established Canadian Licensed New Car Dealers.”

The invoice is from Sunbeam North America to a customer in Toronto, showing a sale of “2017 BOLT GT, 2 DR, Complete Rolling Chasis” and “Dealer Parts Pac: SB® Inverter, Controller, charger & transmission”.

- Exhibit C is an advertisement for SUNBEAM Auto Parts, specifically “trailer plug adapters”. The Exhibit also includes images from the U.S. patent registration for such “trailer adapter” goods. The Owner attests that such goods “are sold and used in Canada”.
- Exhibit D consists of two letters to the Owner from SAE International, acting as the agent of the U.S. National Highway Traffic Safety Administration. The letters relate to Vehicle Identification Numbers reserved for the Owner’s vehicles. The second letter describes the code “4S9” as being reserved for “Vehicle Type: Trailers”.

ANALYSIS

[12] As noted by the Requesting Party in its written representations, much of the Owner’s affidavit amounts to bald assertions of use of the Mark.

[13] I would first note that the fact that the Owner holds Canadian patents for vehicle parts is largely irrelevant to the issue at hand. Furthermore, the mere presence of SUNBEAM-branded vehicles on Canadian roads does not amount to use of the Mark within the meaning of sections 4 and 45 of the Act. Any display of the Mark must be at the time of transfer or sale of the good in question.

[14] In this respect, some evidence of transfers in the normal course of trade in Canada is necessary [see *John Labatt Ltd v Rainier Brewing Co et al* (1984), 80 CPR (2d) 228 (FCA)]. Such evidence can be in the form of documentation like invoices or sales reports, but can also be through clear sworn statements. However, as in this case, it is insufficient to merely assert that the registered goods were marketed to Canadians [see *Michaels & Associates v WL Smith &*

Associates Ltd (2006), 51 CPR (4th) 303 (TMOB); and *Riches, McKenzie & Herbert LLP v Cleaner's Supply Inc*, 2012 TMOB 211, CarswellNat 5229]. Furthermore, I do not consider the Owner's reference to "over a million Sunbeam Wares ... currently sold and used in Canada" as being a clear statement with respect to either the registered goods or the relevant period.

[15] Although the owner asserts that SUNBEAM vehicle parts are in Canadian retail outlets' inventories, it is not clear that such parts correlate to the goods specified in the registration. Indeed, as noted by the Requesting Party, much of the Owner's evidence focuses on "trailer adapters", which are not in the list of registered goods.

[16] In his affidavit, the Owner provides little in the way of evidence of transfers in the normal course of trade of any SUNBEAM goods. In this respect, evidence of actual transfers is limited to the two invoices furnished as Exhibit B to the Owner's affidavit.

[17] Again, as noted by the Requesting Party, the products described in the invoices do not appear to correlate with the registered goods. Viewing the evidence as a whole, the first invoice appears to be for some sort of "trailer". While the registration includes a variety of "motor vehicles", "trailers" is not one of them. The Owner does not clearly correlate this invoice with any particular registered good, nor does he make any representations to shed light on the matter.

[18] Similarly, the Owner does not correlate the second invoice with any of the registered goods. Even if it were inferred that the invoice is with respect to a registered good, such as "automobile bodies", the invoice is from after the relevant period. As such, it does not show a transfer of SUNBEAM goods in the normal course of trade during the relevant period as required by section 45 of the Act.

[19] With respect to the photographs of SUNBEAM passenger cars at Exhibit A, the only date that appears is 2011, prior to the relevant period. Again, absent evidence of transfers of such goods during the relevant period, any display of the Mark as depicted in the exhibit does not amount to use of the Mark within the meaning of sections 4 and 45 of the Act.

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

[21] Lastly, the Owner refers to it taking “several years of substantial investment, design and fabrication in order to have a Sunbeam® Vehicle approved for sale in Canada”. However, absent further details, this does not amount to special circumstances excusing non-use of the Mark, as per the criteria set out by the Federal Court of Appeal in *Registrar of Trade Marks v Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 FCA.

DISPOSITION

[22] 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.

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**

HEARING DATE No Hearing Held

AGENTS OF RECORD

No agent appointed

For the Registered Owner

Riches, McKenzie & Herbert LLP

For the Requesting Party