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

Citation: 2017 TMOB 170

Date of Decision: 2017-12-13

IN THE MATTER OF A SECTION 45 PROCEEDING

CHR Holdings Inc.

Requesting Party

and

Release the Hounds

Registered Owner

TMA816,435

Registration

[1] At the request of CHR Holdings 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 April 8, 2016 to Release the Hounds, the registered owner of registration No. TMA816,435 for the trade-mark Release the Hounds (the Mark).

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

GOODS

(1) dog training pamphlet;

(2) dog training DVDs, books, pamphlets; dog treat pouches, dog leashes, dog harnesses, dog collars, dog sweaters and dog coats; promotional items namely, T-shirts, sweaters, mugs, pens, key chains, bumper stickers and stickers.

SERVICES

(1) dog training services.

[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 and services 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 use since that date. In this case, the relevant period for showing use is April 8, 2013 to April 8, 2016.

[4] The relevant definitions of use with respect to goods and services are set out in section 4 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.

4(2) A trade-mark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.

[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 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 and services specified in the registration during the relevant period [*John Labatt Ltd v Rainer Brewing Co* (1984), 80 CPR (2d) 228 (FCA)].

[6] In response to the Registrar's notice, the registered owner furnished the affidavit of Susan Gorham, sworn on June 16, 2016 in Toronto. Both parties filed written representations and were represented at an oral hearing.

THE OWNER'S EVIDENCE

[7] In her affidavit, Ms. Gorham identifies herself as the registered owner, Release the Hounds, attesting that she is its owner and operator, and is responsible for all of its business functions and activities.

[8] She attests that, during the relevant period, she used the Mark in the advertisement and performance of the registered “dog training services”. In particular, Ms. Gorham attests that she distributed informational dog training pamphlets to veterinary clinics in Canada during the relevant period. She explains that such pamphlets “were given to veterinary clinics to distribute to their customers in exchange for those clinics agreeing to promote [her] dog training services.” Attached as Exhibit A to her affidavit is a copy of Release the Hounds’ “Custodial Canine Care” pamphlet, which bears the Mark. As discussed further below, I note that the pamphlet does not clearly identify Ms. Gorham, but rather indicates that “**Release The Hounds** is owned and operated by **Susan Gold**”.

[9] Ms. Gorham further attests that the Mark appeared on a variety of advertising materials, such as bumper stickers, holiday cards and tote bags. Attached as Exhibit C to her affidavit are photographs of a representative holiday card and tote bag, both of which display the Mark.

[10] In addition, she attests that her customers can see her wearing a jumpsuit bearing the Mark while providing dog training services to their dogs. Attached as Exhibit D to her affidavit is a photograph of the jumpsuit, which bears the Mark.

[11] As well, she states that the Mark appeared on invoices provided to customers for her dog training services at the time of performance of such services. Attached as Exhibit E to her affidavit are 10 handwritten invoices/receipts to various customers for dog “training/consultation” services and the like, all dated within the relevant period. The Mark is stamped on the bottom of each receipt.

[12] With respect to registered goods (2), Ms. Gorham attests that “t-shirts, mugs, pens, key chains, stickers, bumper stickers, dog harnesses and dog treat pouches bearing the Mark” were distributed by her in Canada during the relevant period. She explains that such goods “were provided to customers during the Relevant Period in exchange for purchasing dog training services.” Attached as Exhibit B to her affidavit are seven photographs of such goods, all bearing the Mark.

ANALYSIS

[13] As a preliminary matter, I note that the written representations of the Requesting Party took the form of an affidavit by a Mr. James Woller. However, per section 45(2) of the Act, the Registrar may only consider evidence furnished by the registered owner in a section 45 proceeding. Accordingly, to the extent Mr. Woller's affidavit purports to furnish facts regarding the lack of use of the Mark online and in social media, it has been disregarded. In any event, the Requesting Party made no substantive reference to Mr. Woller's affidavit in its representations at the oral hearing.

[14] Rather, the Requesting Party first took issue with the identification of "Release the Hounds" as the registered owner of record. In this respect, as the apparent trading style of Ms. Gorham, the Requesting Party submitted that "Release the Hounds" is not a "person" under the Act, and therefore "Release the Hounds" could not have formed the requisite intent to use the Mark at the time of registration [citing *Cie des Montres Longines Francillon SA v Pinto Trading Co*, 1983 CarswellNat 845 (TMOB) at para 8; and *Hearst Holdings Inc v Wallstrom*, 2004 CarswellNat 5158 (TMOB) at para 22]).

[15] However, I note that the jurisprudence cited by the Requesting Party were decisions regarding grounds of opposition based on section 30(e) of the Act, which is not relevant in a section 45 proceeding. Furthermore, as noted by the Federal Court of Appeal in *Ridout & Maybee LLP v Omega*, 2005 FCA 306, 43 CPR (4th) 18, the validity of a registration is not in dispute in section 45 proceedings. Any issues of ownership are more properly dealt with by way of application to the Federal Court pursuant to section 57 of the Act.

[16] On a finer point, the Requesting Party noted that the Exhibit A brochure identifies "Susan Gold" as the owner and operator of Release the Hounds, alleging that this appears to be an entirely different person from the affiant, Susan Gorham. The Requesting Party notes that the evidence provides no clarification of this discrepancy. In its representations, the representative of the owner indicated that "Susan Gold" is simply the maiden name of the Ms. Gorham.

[17] Whether or not it is reasonable to infer that Susan Gold is Susan Gorham's maiden name, Ms. Gorham makes clear statements in her affidavit that she is the owner and operator of Release the Hounds, and that she distributed the exhibited brochure during the relevant period.

[18] As such, I am satisfied that Ms. Gorham's affidavit constitutes evidence furnished by the registered owner of record.

[19] With respect to goods (1), "dog training pamphlet", it has been held that the free distribution of a good merely to promote one's own brand does not constitute a transfer in the normal course of trade [see, for example, *Smart & Biggar v Sutter Hill Corp*, 2012 TMOB 12, 103 CPR (4th) 128; and *Riches, McKenzie & Herbert LLP v Park Pontiac Buick GMC Ltd* (2005), 50 CPR (4th) 391 (TMOB)]. For the free distribution of a good to qualify as a transfer in the normal course of trade, the evidence must show that the good was delivered, not merely as a means of promoting other products or services, but as an object of trade in itself, leading to some kind of payment or exchange for such goods or in anticipation of securing future orders of those goods [see *Bremont Watch Company Limited v Bremont Homes Corporation*, 2016 TMOB 102; *Canada Goose Inc v James*, 2016 TMOB 145; and *Oyen Wiggs Green v Flora Manufacturing and Distributing Ltd*, 2014 TMOB 105, 125 CPR (4th) 152].

[20] In this case, it is clear that such pamphlets were not objects of trade in and of themselves.

[21] With respect to registered goods (2), I first note that Ms. Gorham's affidavit does not refer to "dog training DVDs", "books", "dog leashes", "dog collars", "dog sweaters", "dog coats" or "sweaters".

[22] With respect to the remaining goods, Ms. Gorham attests "t-shirts, mugs, pens, key chains, stickers, bumper stickers, dog harnesses and dog treat pouches bearing the Mark ... were provided to customers during the Relevant Period in exchange for purchasing dog training services".

[23] The Requesting Party submitted that the evidence does not show a genuine pattern of commercial transaction for any such goods, citing *Bremont, supra*, in support of its position that transfers of goods for the promotion of services does not constitute transfers of such goods in the normal course of trade within the meaning of section 4(1) of the Act. In response, the owner

submitted that the Act does not require a transfer of goods to be in exchange for money, noting that Ms. Gorham states that the goods were provided to customers *in exchange* for the purchase of her dog training services.

[24] In this case, neither the exhibited brochure nor the invoices make reference to goods being part of the transaction for the owner's dog training services. Ms. Gorham otherwise provides no details regarding the circumstances surrounding the provision of such goods to her customers "in exchange for purchasing dog training services". Indeed, there is no indication that customers are aware that goods form part of the transaction for the owner's services or are included as part of the purchase of such services. In this respect, the present case can be contrasted to *Sophia Financial Group v Tigrent Learning Inc*, 2014 TMOB 124, where the evidence showed that the cost of instructional materials formed part of the purchase of certain education services.

[25] As such, at best, any distribution of the goods appears to be for the promotion of the owner's services, rather than the goods being objects of trade in and of themselves. Thus, I cannot conclude that the owner has demonstrated use of the Mark in the normal course of trade in association with the goods [see *Bremont, supra*, at para 28 for a similar conclusion].

[26] In view of the foregoing, I am not satisfied that the registered owner has demonstrated use of the Mark in association with the registered goods within the meaning of sections 4 and 45 of the Act. As there is no evidence of special circumstances excusing non-use of the Mark before me, the registration will be amended accordingly.

[27] With respect to "dog training services", it is clear that the Mark appeared on advertising materials and in the performance of the services during the relevant period. In this respect, at a minimum, I find that the Mark was displayed on brochures promoting the owner's services distributed during the relevant period. Furthermore, the Mark appeared on Ms. Gorham's jumpsuit, which she attests she wore during the performance of such dog training services, and on invoices issued to customers for such services.

[28] Accordingly, I am satisfied that the registered owner has demonstrated use of the Mark in association with the registered services within the meaning of sections 4(2) and 45 of the Act.

DISPOSITION

[29] 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 statement of goods in its entirety.

[30] The statement of services will be maintained.

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 2017-12-04

APPEARANCES

John Simpson For the Registered Owner

Mark Timmis For the Requesting Party

AGENTS OF RECORD

Shift Law For the Registered Owner

Mark Timmis Law Corporation For the Requesting Party