



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

Citation: 2020 TMOB 1

Date of Decision: 2020-01-08

IN THE MATTER OF A SECTION 45 PROCEEDING

Billboard IP Holdings, LLC

Requesting Party

and

7320094 Canada Inc.

Registered Owner

**TMA868910 for BEDROOM
BILLBOARDS**

Registration

INTRODUCTION

[1] This decision pertains to a summary expungement proceeding with respect to registration No. TMA868910 for the trademark BEDROOM BILLBOARDS (the Mark), owned by 7320094 Canada Inc. (the Owner).

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

Clothes Hangers; Clothes, namely, shirts, t-shirts, jackets, coats, vests, blouses, jerseys, shorts, pants, boxer shorts, dresses, skirts, bandannas, loungewear, sweaters, sweat shirts, sweat pants; hats and caps (the Goods); and

Placing advertisements for others on clothes hangers; Advertising agency services; Advertising the business, wares and services of others (the Services).

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

THE PROCEEDINGS

[4] On February 3, 2017, at the request of Billboard IP Holdings, LLC (the Requesting Party), the Registrar of Trademarks sent a notice (the Notice) under section 45 of the *Trademarks Act* RSC 1985, c T-13 (the Act) to the Owner.

[5] The Notice required the Owner to furnish evidence showing that it had used the Mark in Canada, at any time between February 3, 2014 and February 3, 2017 (the Relevant Period), in association with the Goods and Services. 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] The relevant definitions of “use” in association with goods and services read as follows:

4(1) A trademark 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 trademark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.

[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 removing “deadwood” from the Register. The criteria for establishing use are not demanding and an overabundance of evidence is unnecessary. Nevertheless, sufficient facts must be presented to allow the Registrar to conclude that the trademark was used in association with each of the goods and services specified in the registration at any time during the relevant period [see *Performance Apparel Corp v Uvex Toko Canada Ltd*, 2004 FC 448, 31 CPR (4th) 270]. Mere statements of use are insufficient to prove use of the trademark [see *Aerosol Fillers Inc v Plough (Canada) Ltd* (1980), 53 CPR (2d) 62 (FCA)].

[8] The Owner filed, as its evidence, the affidavit of Jeremy Fine sworn on August 1, 2017 to which was attached Exhibit A.

[9] Only the Requesting Party filed written representations and attended the hearing.

THE OWNER'S EVIDENCE

[10] Mr. Fine is the Owner's President and founder. He states that the Owner also carries on business under the trade name Eco-Green Media. He has held this position since 2010. He describes the Owner as a media company that offers to companies, professionals and entrepreneurs the ability to connect directly with their target demographic through various programs.

[11] Mr. Fine states that one advertising program offered by the Owner is "a billboard hanger advertising program" by which the Owner's client would indicate in which geographic location the hangers featuring the advertisement need to be distributed through various drycleaners in the targeted area such that when a consumer picks up his/her dry cleaning, the dry cleaned articles of clothing are placed on the Owner's hanger featuring the advertisement. The consumer would then bring the articles of clothing to their homes and the advertisement would be present in the consumer's closets.

[12] Mr. Fine explains that this program is offered to potential advertisers in association with the Mark. It was first featured on hangers offered by the Owner on or around 2010 and formed part of the promotion and advertisement of the Owner's billboard hanger advertising program since that time including during the Relevant Period.

[13] To illustrate such use, Mr. Fine attached, as Exhibit A to his affidavit, photographs presenting a hanger featuring the Mark that was distributed to potential advertisers and dry cleaners during the Relevant Period.

[14] Mr. Fine then lists companies and approximate dates (all during the Relevant Period) when hangers featuring the Mark were distributed to potential advertisers and dry cleaners to advertise and promote the Owner's services.

[15] Mr. Fine concludes his affidavit by affirming that the Owner's hanger advertising program was sold to clients during the Relevant Period in Montreal and Toronto.

REQUESTING PARTY'S ARGUMENTS

[16] The Requesting Party raises four main issues:

- Apart from clothes hangers, the affidavit does not make reference to any of the Goods;
- There is no evidence of transfer of property emanating from the Owner for clothes hangers;
- By listing three different services, evidence of use of each of those services should have been adduced, which is not the case;
- At best, the evidence shows distribution of samples to potential advertisers and dry cleaners but nowhere does it state that the Owner was ready to render the Services or had the facilities to do it;

[17] Moreover, the Requesting Party argues that the Owner did not provide evidence of special circumstances justifying non-use of the Mark in association with the Goods and Services.

DISCUSSION ON THE REQUESTING PARTY'S ARGUMENTS

The Goods

[18] I agree with the Requesting Party that there is no evidence of use of the Mark in association with the Goods, except perhaps with clothes hangers, during the Relevant Period. Nowhere in his affidavit does Mr. Fine make mention of the Goods other than clothes hangers. Moreover, Mr. Fine does not allege any special circumstances that could justify non-use of the Mark within the meaning of section 45(3) of the Act.

[19] Mr. Fine does make reference to clothes hangers throughout his affidavit. However, there is no allegation that clothes hangers were sold in Canada during the Relevant Period in association with the Mark. There is no evidence that there has been a transfer of property of clothes hangers in association with the Mark during the Relevant Period.

[20] As per my review above of the Fine affidavit, there is no evidence of sales in the normal course of trade of any of the registered goods, including clothes hangers. Mr. Fine does not unequivocally state that sales of these goods were indeed made in the normal course of trade during the Relevant Period. Notably, no sales figures are provided. Rather, Mr. Fine alleges that clothes hangers featuring the Mark were distributed to potential advertisers and dry cleaners to promote the Owner's advertising program and were not objects of trade themselves.

[21] 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 *Smart & Biggar v Sutter Hill Corp*, 2012 TMOB 121, 103 CPR (4th) 128 (TMOB); 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 [see *Canada Goose Inc v James*, 2016 TMOB 145 and *Oyen Wiggs Green & Mutala LLP v Flora Manufacturing and Distributing Ltd*, 2014 TMOB 105].

[22] Consequently, the registration shall be amended to, at least, delete all of the Goods.

The Services

[23] The Requesting Party argues that there are three distinct services described in the application namely, placing advertisements for others on clothes hangers; advertising agency services; and advertising the business, wares and services of others. Consequently, in order to maintain the registration for all the Services, the Owner had to show use of the Mark in Canada during the Relevant Period in association with each one of them.

[24] As mentioned previously, Mr. Fine describes the Owner's business strategy for a billboard hanger advertising program [paras 4, 5 and 6 of his affidavit]. In paragraph 7 of his affidavit, Mr. Fine affirms that the Owner has used the Mark. In itself, that statement is a bald allegation of use that needs to be substantiated by additional facts or documentary evidence which would ultimately lead to a conclusion of use of the Mark within the meaning of section 4(2) of the Act [see *Plough, supra*].

[25] In paragraph 8 of his affidavit, Mr. Fine affirms that this billboard hanger advertising program has been operating since 2010 and during the Relevant Period. He explains that the Mark was featured on hangers offered by the Owner in the context of this advertising program and he attached as Exhibit A photographs of a hanger on which appears the Mark and the description of the Owner's advertising program, but not the promotion or advertising of a third party's products or services.

[26] Mr. Fine provides a list of companies to which hangers featuring the Mark were distributed during the Relevant Period [para 10 of his affidavit].

[27] Finally, at paragraph 11 of his affidavit, Mr. Fine affirms that this billboard advertising program has been sold to clients in Montreal and Toronto throughout the years including during the Relevant Period. However, there are no sales figures or names of clients mentioned in that paragraph. Furthermore, the evidence includes no examples of hangers promoting third party's goods and/or services.

[28] As for the allegations contained in paragraph 8 of Mr. Fine's affidavit, they are referring to the promotion of the Owner's own advertising services. They are not evidence of use of the Mark in association with placing advertisements for others on clothes hangers or in association with advertising the business, wares and services of others within the meaning of section 4(2) of the Act.

[29] However, I consider that the allegations of Mr. Fine in paragraphs 4 to 8 inclusive of his affidavit, together with Exhibit A, do constitute evidence of the promotion of the Owner's services of placing advertisements for others.

[30] In *Wenward (Canada) Ltd v Dynaturf Co* 1976 CarswellNat 607 (TMOB), the Registrar determined that, in order to conclude to use of a trademark in association with services, in the absence of actual performance of the services, the evidence must show not only that the services had been advertised but also that the owner was willing and able to perform the services in Canada during the Relevant Period.

[31] In this case, I am of the opinion that the evidence described above does establish that the Owner advertised its services of placing advertisements for others during the Relevant Period and further that the Owner was willing and able to provide those services in Canada during the Relevant Period. In this respect, Mr. Fine states that such services were rendered in Montreal and Toronto during the Relevant Period. The Requesting Party notes that Mr. Fine does not make reference to the Mark when he makes that statement [para 11]. However, while it is not clear whether the Mark was displayed when such services were performed, at a minimum, I accept this statement as demonstrating that the Owner was willing and able to provide such services in

Canada during the Relevant Period. As such, in combination with the evidence of advertising of such services in association with the Mark, this is sufficient to demonstrate use of the Mark in association with “Placing advertisements for others on clothes hangers” within the meaning of sections 4 and 45 of the Act.

[32] As for the other Services, there is no allegation of use of the Mark in association with them during the Relevant Period. Moreover, there is no evidence of advertising or performance of such Services beyond “Placing advertisements for others on clothes hangers”, maintained above. As there is no evidence of special circumstances justifying non-use of the Mark in association with those more general Services, the registration will be amended accordingly.

DISPOSITION

[33] Pursuant to the authority delegated to me under section 63(3) of the Act, the registration will be amended to read: «Placing advertisements for others on clothes hangers» in compliance with the provisions of section 45 of the Act.

Jean Carrière
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

**TRADEMARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

HEARING DATE 2019-12-04

APPEARANCES

No one appearing

FOR THE REGISTERED OWNER

M. Barry Gamache

FOR THE REQUESTING PARTY

AGENTS OF RECORD

Stikeman Elliott LLP

FOR THE REGISTERED OWNER

Robic LLP

FOR THE REQUESTING PARTY