

LE REGISTRAIRE DES MARQUES DE COMMERCE THE REGISTRAR OF TRADEMARKS

> Citation: 2021 TMOB 197 Date of Decision: 2021-09-01

IN THE MATTER OF A SECTION 45 PROCEEDING

Norton Rose Fulbright

Requesting Party

Canada LLP/S.E.N.C.R.L., S.R.L.

and

Sharame Sherzady

Registered Owner

TMA866,485 for Watchfinder

Registration

[1] This decision pertains to a summary expungement proceeding with respect to registration No. TMA866,485 for the trademark Watchfinder (the Mark), owned by Sharame Sherzady (the Owner).

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

GOODS

(1) Jewellery, watches, precious metals and gems.

SERVICES

(1) Custom jewellery and watch design.

(2) Buying precious metals and gems.

(3) Watch repairs.

(4) Appraisal of jewellery, watches, precious metals, and gems.

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

THE PROCEEDING

[4] On February 27, 2020, the Registrar of Trademarks sent a notice under section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) to the Owner. The notice was sent at the request of Norton Rose Fulbright Canada LLP/S.E.N.C.R.L., S.R.L. (the Requesting Party).

[5] The notice required the Owner to furnish evidence showing that he had used the Mark in Canada, at any time between February 27, 2017 and February 27, 2020 (the Relevant Period), with respect to each of the goods and services specified in registration No. TMA866,485. If the Mark had not been so used, the Owner was required to furnish evidence providing the date when the Mark was last used in Canada and the reasons for the absence of use since that date.

[6] The relevant definitions of "use" are set out in section 4 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] Section 45 proceedings are considered to be summary and expeditious for clearing the register of non-active trademarks. The expression "clearing deadwood" has often been used to describe these proceedings. The threshold for establishing use in section 45 proceedings is quite low [*Woods Canada Ltd v Lang Michener* (1996), 71 CPR (3d) 477 (FCTD); *Austin Nichols & Co v Cinnabon, Inc* (1998), 82 CPR (3d) 513 (FCA)]. Nevertheless, sufficient facts must be presented to allow the Registrar to conclude that the trademark was used in association with each of the registered goods and services at any time during the relevant period [*Performance Apparel Corp v Uvex Toko Canada Ltd*, 2004 FC 448, 31 CPR (4th) 270]. Mere assertions of use are insufficient to prove use of the trademark [*Aerosol Fillers Inc v Plough (Canada) Ltd* (1980), 45 CPR (2d) 194 (FCTD), aff'd (1980), 53 CPR (2d) 62 (FCA) (*Plough*].

[8] In response to the Registrar's notice, the Owner furnished his own affidavit, sworn on March 12, 2021, to which were attached Exhibits "A" to "F".

[9] Neither party filed written representations. No hearing was held.

THE EVIDENCE

[10] The Owner's assertions regarding the use of the Mark in association with the registered goods and services are found in paragraph 2 of the affidavit that is reproduced below in full:

The [Mark] has been in continuous use in Canada in accordance with section 4 of the [Act] since the filing date, March 2012 and during the three-year period immediately preceding February 27, 2020 (the date of the notice) with respect to each of the goods/services specified in the registration.

[11] The remainder of the affidavit consists of statements of the Owner describing the exhibits to his affidavit as follows:

- Exhibit A: "copy of the website, watchfinder.ca, for Watchfinder Yorkville, an Ontario incorporated corporation which [the Owner] founded in 1999";
- Exhibit B: "copy of an article on website blog, dated October 4, 2019";
- Exhibit C: "copies of the instagram for Watchfinder Canada (@watchfinder) and Watchfinder & Co. (@watchfindofficial)";
- Exhibit D: "copy of the twitter for Watch Finder (@watchfinderca)";
- Exhibit F: "copy of the youtube channel for Watchfinder & Co."; and
- Exhibit G: "pictures of the business card and interior of the Watchfinder Yorkville store, which is located at 128e Cumberland St., Lower Level, Toronto, On Canada M5R 1A6 and was opened in 1999". I note that the Owner does not provide any information regarding his relationship with the Watchfinder Yorkville store during the Relevant Period.

[12] It should be noted that there are discrepancies between the exhibits referenced in the affidavit and those attached to it.

[13] Indeed, there is an Exhibit "E" attached to the affidavit but not referenced therein. This exhibit appears to consist of printouts from the Facebook page of "Watchfinder Cumberland Inc @watchfindecanada". In addition, it is apparent that Exhibit "F" is not a copy of the "youtube channel for Watchfinder & Co.", as stated by the Owner. Rather, Exhibit "F" appears to consist of the pictures of the business card and interior of the Watchfinder Yorkville store that the Owner identifies as Exhibit "G" to his affidavit. In fact, there is no Exhibit "G" attached to the affidavit.

[14] Especially in the context of section 45 proceedings—which are intended to be summary and expeditious—it has been established that technical deficiencies in evidence should not stop a party from successfully responding to a section 45 notice where the evidence provided could be sufficient to show use. In particular, the Registrar has accepted exhibits that were neither clearly identified as such nor properly endorsed where the exhibits were instead identified or explained in the body of the affidavit, without reducing the weight of the exhibits or of the affiant's statements [see, for example, *Borden & Elliot v Raphaël Inc* (2001), 16 CPR (4th) 96 (TMOB)].

[15] Applying the principles outlined above to the present case, I conclude that Exhibit "E" is not admissible as evidence since it is neither referenced by the Owner or identified as an exhibit to his affidavit [see *MBM & Co v Belize Bicycle Canada Reg'd*, 2010 TMOB 141]. However, since the pictures of the business card and interior of the Watchfinder Yorkville store are referenced in the affidavit, albeit as Exhibit "G", I am prepared to accept Exhibit "F" as part of the evidence.

[16] Finally, it should also be noted that there are no clear statements from the Owner as to the dates of the documentary evidence attached to his affidavit, except for Exhibit "B". Thus, I am in doubt as to whether Exhibits "A", "C", "D" and "F" pertain to the Relevant Period.

ANALYSIS AND REASONS FOR DECISION

[17] For the reasons that follow, I conclude that the Owner's affidavit is insufficient to establish use of the Mark in association with any of the registered goods and services during the Relevant Period. It is not enough to merely state that a trademark has been in use; an owner's evidence must provide factual evidence demonstrating use of the trademark in association with

each of the goods and services listed in the registration. In other words, the Owner must provide evidence *showing* how the Mark was displayed in association with a transfer in the normal course of trade of each of the registered goods, and in the performance or advertising of each of the registered services, in Canada during the Relevant Period.

Registered Goods

[18] At the outset, I note that Owner has provided no statements or supporting evidence specifically relating to the registered goods "jewellery", "precious metals" and "gems". Further, following my review of Exhibit "A", I conclude that the watches displayed on the website are third-party watches branded with other trademarks.

[19] Although the threshold for establishing use in these proceedings is low, some evidence of transfer in the normal course of trade in Canada is necessary [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)]. Such evidence can be in the form of documentation like invoices, sales reports, but can also be through clear sworn statements regarding volumes of sales, dollar value of sales, or equivalent factual particulars [see, for example, *1471706 Ontario Inc v Momo Design srl*, 2014 TMOB 79]. The Owner's affidavit provides no evidence of transfer of the registered goods in the normal course of trade at any time.

[20] I wish to add that there is no evidence in this case of what constitutes the Owner's normal course of trade for the registered goods. In addition, this is not a case where reasonable inferences as to the Owner's normal course of trade can be made from the evidence provided. In my view, considering the evidence as a whole, the only reasonable inference that can be made is that third-party watches branded with other trademarks have been offered for sales by the Ontario corporation Watchfinder Yorkville. I will return to this comment later.

[21] Accordingly, I am not satisfied that the evidence establishes use of the Mark in association with the registered goods pursuant to sections 4(1) and 45 of the Act. Further, the affidavit does not put forward special circumstances to justify the absence of use in association with the registered goods.

Registered Services

[22] The Owner's affidavit does not contain any clear statements regarding the services offered in Canada in association with the Mark during the Relevant Period.

[23] Likewise, the Owner's affidavit does not contain any statements as to the nexus between the registered services and any of the exhibits to be considered. In other words, no conclusion can be made as to the services covered by the relevant exhibits. As such, I find it is not necessary to discuss whether the relevant exhibits may serve as evidence of use of the Mark in association with services.

[24] This leads me to return to my prior comment that the only reasonable inference that can be made from the evidence is that third-party watches branded with other trademarks have been offered for sales by the Ontario corporation Watchfinder Yorkville.

[25] When the owner of a trademark seeks to benefit from the use of its trademark by a another party, the owner must show direct or indirect control of the character or quality of the goods or services associated with that trademark [section 50(1) of the Act].

[26] There is no evidence in this case demonstrating the Owner's control over the character or quality of the services offered by the Ontario corporation Watchfinder Yorkville. The Owner does not: state that he had control over the character or quality of the services; provide any facts demonstrating that such control exists; or provide a copy of a licence agreement that explicitly provides for the requisite control [see *Empresa Cubana Del Tabaco Trading v Shapiro Cohen*, 2011 FC 102 at para 84].

[27] In addition, while the Owner states that he founded the Ontario corporation Watchfinder Yorkville in 1999, there are no statements in his affidavit concerning his relationship with Watchfinder Yorkville during the Relevant Period. Absent any such statements, I find this is not a case where the requisite control over the character or quality of the services can be inferred from the evidence. In other words, this case is distinguishable from cases where the requisite control was inferred owing to the presence of a common controlling individual for the trademark owner and the licensee [see, for example, *Lindy v Canada (Registrar of Trade Marks)*,1999

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CarswellNat 652 (FCA); *Petro-Canada v 2946661 Canada Inc.* (1998), 83 CPR (3d) 129 (FCTD)].

[28] Even if I had found that the evidence established the requisite control, this would not have changed the outcome of this case. Suffice it to say that given the issue of the dates of the exhibits and the absence of clear statements concerning the services offered or performed by Watchfinder Yorkville, I would have found the evidence insufficient to establish use of the Mark in association with the registered services during the Relevant Period. The business card included in Exhibit "F" would not have been of assistance to the Owner since there is no indicia of the relevant services on the business card.

[29] Accordingly, I am not satisfied that the evidence establishes use of the Mark in association with the registered services pursuant to sections 4(2) and 45 of the Act. Further, the affidavit does not put forward special circumstances to justify the absence of use in association with the registered services.

DISPOSITION

[30] In view of all the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act, the registration will be expunded in compliance with the provisions of section 45 of the Act.

Céline Tremblay Member Trademarks Opposition Board Canadian Intellectual Property Office

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

HEARING DATE: No Hearing Held

AGENTS OF RECORD

No Agent Appointed

All the trademark agents at Norton Rose Fulbright Canada LLP/S.E.N.C.R.L., S.R.L FOR THE REGISTERED OWNER

FOR THE REQUESTING PARTY