



Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2023 TMOB 024

Date of Decision: 2023-02-14

IN THE MATTER OF A SECTION 45 PROCEEDING

Requesting Party: St. Lawrence Law Firm LLP

Registered Owner: GP8 Advanced Research Enterprise

Registration: TMA770,398 for GP8 SPORTWATER & Design

INTRODUCTION

[1] This is a decision involving a summary expungement proceeding under section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) with respect to registration No. TMA770,398 for the trademark GP8 SPORTWATER & Design (the Mark), as shown below, registered for use in association with “non-alcoholic beverages, namely, sports drinks, flavoured water and bottled water” (the Goods):



[2] For the reasons that follow, I conclude that the registration ought to be maintained.

THE PROCEEDING

[3] At the request of St. Lawrence Law Firm LLP (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act on December 16, 2020 to the registered owner of the Mark at the time, OTEC Research Limited (OTEC).

[4] The notice required the registered owner to show whether the Mark was used in Canada in association with each of the Goods 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 December 16, 2017 to December 16, 2020 (the Relevant Period). In the absence of use, the registration is liable to be expunged, unless the absence of use is due to special circumstances.

[5] The relevant definition of use in the present case is set out in section 4(1) of the Act:

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.

[6] On November 23, 2021, an assignment of the Mark in favour of GP8 Advanced Research Enterprise (the Owner) was recorded by the Registrar. The date of the change of title is shown on the register as September 12, 2018.

[7] In response to the notice, the Owner furnished the Affidavit of Ted Manziaris, the CEO of the Owner, sworn on July 16, 2021, together with Exhibits TM-1 to TM-5.

[8] Both parties submitted written representations. Only the Owner attended a hearing.

THE EVIDENCE

[9] Mr. Manziaris describes the Owner as a sports research and development company, focusing on innovative drink-products engineered for athletes to increase hydration and performance.

[10] Mr. Manziaris states that, as part of a corporate re-organization and transfer of all of the assets of OTEC, the Mark, along with all goodwill attaching thereto, was assigned to the Owner on September 12, 2018.

[11] Mr. Manziaris asserts that, during the Relevant Period, both OTEC and the Owner used the Mark to sell the Goods in Canada - prior to the assignment, the Goods were manufactured and sold by OTEC; following the assignment, the Goods were manufactured and sold by the Owner. He also states that the business of OTEC was assigned as a going concern and there was no interruption in the manufacture or distribution of the Goods.

[12] Mr. Manziaris provides, as Exhibit TM-1, three photographs which show the Mark on product cases, product labels and bottles with the product label attached. He states that the photographs are representative of how the Mark appeared on labels and packaging for the Goods sold in Canada throughout the Relevant Period. I note that on the product label, the product is described as “purified water”.

[13] The photographs in Exhibit TM-1 and, indeed, in all of the exhibits to the Manziaris Affidavit, display the following variation of the Mark (the Variation):



[14] Mr. Manziaris states that OTEC and the Owner sold each of the Goods (*i.e.* sports drinks, flavoured water and bottled water). He goes on to state that “the Goods were available as both unflavoured bottled water and as flavoured water” and that the products “are specifically formulated to include increased amounts of dissolved oxygen, making them an ideal sports drink for athletes in both flavoured and unflavoured

format". He also states that the product flavours included lemon, blackberry and raspberry.

[15] Mr. Manziaris goes on to explain that both OTEC and the Owner sold and promoted the Goods at various events across Canada and through sponsorship of sports teams and sporting events.

[16] One example of a promotional activity is the distribution of paper cups which displayed the Mark to potential consumers and retailers during the Relevant Period. Images of the paper cups are attached as Exhibit TM-2 to his affidavit. Mr. Manziaris states that the images, all of which show the Variation, are representative of how the Mark appeared on paper cups distributed during the Relevant Period.

[17] Mr. Manziaris also states that the Mark was displayed on promotional signs and trucks used at events where the Goods were sold and distributed and when providing the Goods to consumers in Canada during the Relevant Period.

[18] Attached as Exhibit TM-3 to his affidavit are images of signs and trucks showing how the Mark would appear to consumers at events where the Goods were sold and distributed. I note that several of the images contain the phrase "the evolution of the sport drink". Mr. Manziaris states that the images, all of which show the Variation, are representative of how the Mark appeared on such signs and trucks across Canada during the Relevant Period.

[19] Mr. Manziaris goes on to state that, during the Relevant Period, OTEC and the Owner sold the Goods to consumers both directly and through third party retail outlets such as grocery stores and markets. The Owner worked with some of the retail outlets to promote the Goods by providing instore displays, images of which are attached as Exhibit TM-4 to his affidavit. Again, Mr. Manziaris confirms that the images, all of which show the Variation, are representative of how the Mark was displayed on such items throughout the Relevant Period.

[20] Finally, Mr. Manziaris states that OTEC and the Owner sold significant amounts of the Goods in Canada during the Relevant Period, “totaling thousands if not tens of thousands of cases”.

[21] Exhibit TM-5 to his affidavit is an invoice dated May 2019 to a customer in Ontario which Mr. Manziaris states lists both flavoured and unflavoured cases of the Goods. The Variation is displayed in the upper right hand corner of the invoice. In the upper left hand corner is reference to “GP8 Sportwater” and the Owner’s address. The total value of the invoice is \$436.34 and it lists the following three products:

- Twelve cases of “710ML Sportcap 12 PACK Sportwater”;
- Six cases of “500ML Sportcap 12 PACK GP8 Lemon Sportwater”; and,
- Eight cases of “330ML Cylinder 23 PACK GP8 Alkaline Water”.

ANALYSIS AND REASONS FOR DECISION

[22] In its written submissions, the Requesting Party made numerous submissions with respect to:

- (a) Ownership of the Mark;
- (b) Use of the Mark as registered;
- (c) Use of the Mark in association with the Goods; and,
- (d) Sales of each of the Goods.

[23] In assessing the Requesting Party’s submissions, I have kept in mind 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. As such, the evidentiary threshold that the Owner must meet is quite low [*Performance Apparel Corp v Uvex Toko Canada Ltd*, 2004 FC 448] and evidentiary overkill is not required [*Union Electric Supply Co v Canada (Registrar of Trade Marks)* (1982), 63 CPR (2d) 56 (FCTD)]. Nevertheless, sufficient facts must still be provided to allow the Registrar to conclude that the Mark was used in association with each of the Goods.

[24] As well, evidence in a section 45 proceeding must be considered as a whole - focusing on individual pieces of evidence in isolation is not the proper approach [*Kvas Miller Everitt v Compute (Bridgend) Limited* (2005), 47 CPR (4th) 209 (TMOB); and *Fraser Milner Casgrain LLP v Canadian Distribution Channel Inc* (2009), 78 CPR (4th) 278 (TMOB)]. As well, reasonable inferences can be made from the evidence provided [*Eclipse International Fashions Canada Inc v Shapiro Cohen*, 2005 FCA 64].

[25] Finally, absent evidence to the contrary, an affiant's statements are to be accepted at face value and must be accorded substantial credibility in a section 45 proceeding [*Oyen Wiggs Green & Mutala LLP v Atari Interactive Inc*, 2018 TMOB 79].

Ownership of the Mark

[26] As a preliminary matter, both the Requesting Party and the Owner made reference in their written submissions to facts not in evidence, all of which relate to when the request to record the assignment from OTEC to the Owner was filed with the Registrar. These submissions will be disregarded [*Ridout & Maybee LLP v Encore Marketing International Inc* (2009), 72 CPR (4th) 204 (TMOB)].

[27] The Requesting Party takes the position that the Owner has not brought forward evidence of the assignment. In this regard, it describes the evidence of Mr. Manziaris as a mere statement and notes that transactions post-dating the issuance of a section 45 notice "may properly be viewed with some scepticism" [*Star-Kist Foods Inc v Canada (Reg. of T.M.)* (1988), 20 CPR (3d) 46 (FCA)].

[28] Mr. Manziaris states that the Owner acquired the Mark, and all goodwill attaching thereto, by way of an assignment from OTEC on September 12, 2018 as part of a corporate re-organization that saw the Owner acquire the business of OTEC as a going concern.

[29] Given that an affiant's statements are to be accepted at face value and must be accorded substantial credibility, I am satisfied that Mr. Manziaris provides cogent

evidence that an assignment of the Mark took place on September 12, 2018 (*i.e.* prior to the date of the section 45 notice).

[30] Further, the Registrar has a discretion to review the state of the register [*True Software Scandinavia AB v Ontech Technologies Inc*, 2018 TMOB 40] and I have done so to confirm that a change of title from OTEC to the Owner was recorded on November 23, 2021, with the date of the change of title shown on the Register as September 12, 2018.

[31] As noted in *True Software*, once the change of title was recorded by the Registrar, “it must be accepted *prima facie*” [see also *Barrette Legal Inc v 1811350 Alberta Ltd*, 2019 TMOB 80; *College of Podiatric Surgeons of British Columbia v North American School of Podology Inc*, 2020 TMOB 62].

[32] Accordingly, based on the evidence of Mr. Manziaris and based on the recordal of the assignment by the Registrar, I accept that the Owner was the owner of the Mark from September 12, 2018 onward.

Use of the Mark as registered

[33] The Requesting Party submits that the use of the Variation does not constitute use of the Mark. In particular, the Requesting Party takes the position that, given the inherent weakness of the individual elements of the Mark (which the Requesting Party describes as the letters GP, the numeral 8 and the suggestive term SPORTWATER), the most dominant feature of the Mark is the particular design of the numeral 8 – “namely its shattered or stained pattern and its overlap with the letters GP” – which is not present in the Variation.

[34] In considering whether the display of the Variation constitutes display of the Mark, the question to be asked is whether the Mark was displayed in such a way that it did not lose its identity and remained recognizable, in spite of the differences between the form in which it was registered and the form in which it was used [*Canada (Registrar of Trade Marks) v Cie internationale pour l’informatique CII Honeywell Bull SA* (1985), 4 CPR (3d) 523 (FCA)]. In deciding this issue, one must look to see whether the

“dominant features” of the registered trademark have been preserved [*Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)]. The assessment as to which elements are the dominant features and whether the deviation is minor enough to permit a finding of use of the trademark as registered is a question of fact to be determined on a case-by-case basis.

[35] The Requesting Party relies on *Cassels Brock & Blackwell LLP v Ultimate Garage Inc*, 2010 TMOB 101 in which the Registrar commented on the dominant features of a trademark which consisted of a house silhouette within which were displayed the words "ULTIMATE GARAGE". The Registrar determined that the house silhouette was a dominant feature of the trademark which had not been preserved with the result that the overall impression created by the trademark as registered was lost.

[36] In the present case, the dominant feature of the Mark is the element GP8, both from a visual and phonetic perspective, and not the particular design of the numeral 8 as suggested by the Requesting Party. Indeed, the differences in the design of the numeral 8 highlighted by the Requesting Party would only be noticed by a consumer after a careful side-by-side comparison.

[37] Comparing the Mark to the Variation, the overall impression created by the Mark was not lost, nor did the Mark lose its identity by virtue of the differences in the design of the numeral 8. The Mark remains recognizable. The dominant feature of the Mark, namely the element GP8, is still present in the Variation. The dominant feature having been preserved, I conclude that the display of the Variation constitutes display of the Mark.

Use of the Mark in association with the Goods

[38] The Requesting Party submits that the evidence submitted in the Manziaris Affidavit does not show use of the Mark in association with the Goods within the meaning of section 4(1) of the Act. In particular, the Requesting Party submits that the photographs in Exhibit TM-1 are undated and do not evidence the actual production and distribution of packaging displaying the Mark nor the actual sale of the Goods.

[39] The Requesting Party's analysis of the photographs overlooks the statement by Mr. Manziaris in his Affidavit that the photographs are representative of how the Mark appeared on labels and packaging for the Goods sold in Canada throughout the Relevant Period.

[40] Accordingly, reading the evidence as a whole, I am satisfied that the photographs in Exhibit TM-1 show how the Mark was displayed on Goods sold by the Owner in Canada during the Relevant Period.

[41] The Requesting Party makes several criticisms of the images in Exhibits TM-2 to TM-4. In particular, the Requesting Party submits that the images do not constitute use of the Mark since much of the material is promotional in nature; nor do they evidence sales of the Goods.

[42] I am satisfied that paragraphs 13 to 16 of the Manziaris Affidavit, together with Exhibits TM-2 to TM-4, provide information on the Owner's normal course of trade which is to promote and sell the Goods directly to consumers at special events and through retailers. The exhibits provide representative samples of promotional material used at special events and in retail settings. Having determined that the Mark was displayed on labelling and packaging for the Goods sold in Canada, I do not need to address whether any of this material would provide a notice of association between the Mark and the Goods at the time of transfer.

Sales of each of the Goods

[43] The Requesting Party submits that the statement by Mr. Manziaris that the Owner sold "thousands, if not tens of thousands of cases" is a bald assertion and ambiguous. The Requesting Party also raises several issues with respect to the Exhibit TM-5 invoice.

[44] Further, the Requesting Party submits that I must determine if the evidence shows use of the Mark with respect to each of the Goods and that the Owner cannot rely on evidence provided for one product to substantiate use for another product [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)]. That is, having made

a distinction in the statement of goods, the Owner is required to provide evidence of use of the Mark for each of the Goods [*Stikeman Elliott LLP v Parmx Cheese Co*, 2015 TMOB 102].

[45] Evidence of a single sale can be sufficient to establish use for the purposes of section 45 proceedings, so long as it follows the pattern of a genuine commercial transaction and is not seen as deliberately manufactured or contrived to protect the registration [see *Philip Morris Inc v Imperial Tobacco Ltd* (1987), 13 CPR (3d) 289 (FCTD)]. Given the evidence of Mr. Manziaris as to the Owner's normal course of trade, I am satisfied that the Exhibit TM-5 invoice represents a sale in the normal course of trade.

[46] That said, the Requesting Party notes that the name of the seller in the top left hand corner of the invoice is GP8 Sportwater and submits that the Owner has not provided any information as to the identity of GP8 Sportwater.

[47] Mr. Manziaris states that the invoice is representative of the sale of the Goods bearing the Mark that were made by the Owner and by OTEC. Further, the address provided for GP8 Sportwater on the invoice is the same address as for the Owner. On that basis, I am prepared to infer that invoice was issued by the Owner.

[48] Mr. Manziaris states that the Exhibit TM-5 invoice is an invoice for the sale of the Goods during the Relevant Period. That said, the invoice lists the following three products:

- Twelve cases of "710ML Sportcap 12 PACK Sportwater";
- Six cases of "500ML Sportcap 12 PACK GP8 Lemon Sportwater"; and,
- Eight cases of "330ML Cylinder 23 PACK GP8 Alkaline Water".

[49] I have no information with respect to the nature of GP8 Alkaline Water; nor do I have any information as to whether or not it displayed the Mark. Accordingly, I am not prepared to consider the sale of that product to be a sale of any of the Goods in association with the Mark.

[50] However, on a fair reading of the evidence as a whole, I am satisfied that the first two products listed on the invoice, namely Sportwater and GP8 Lemon Sportwater, correspond to flavoured water and bottled water which displayed the Mark as shown in Exhibit TM-1. That said, I must still determine if this evidence also constitutes a sale of sports drinks.

[51] As noted above, the Requesting Party relies on the *John Labatt* case for the proposition that the Owner cannot rely on evidence provided for one product to substantiate use for another product. That said, it is important to remember that the Court in *John Labatt* stated at para. 13:

Specification of the wares other than beer suggest, in the absence of proof to the contrary, that each is indeed different in some degree from the others and from "beer" itself, as otherwise the words "ale, porter, stout, malt beverages, malt syrup and malt extracts" are superfluous. [emphasis added]

[52] Accordingly, *John Labatt* does not set a hard and fast rule that use of a trademark on one product cannot constitute use of the trademark on another product. Rather, the issue must be decided based on the evidence in each case.

[53] For example, in *Jeanne Lanvin (une société anonyme) v Ascendia Brands (Canada) Ltd*, 2010 TMOB 58, the Registrar was satisfied that the sale of one product, a 3 in 1 Bubble Bath/Shower Gel/Shampoo, constituted use of trademark in association with three separate products, namely bubble bath, shower gel and shampoo, since the item was sold to retailers and consumers as three separate products in one bottle,

[54] Here, there is evidence before me that the Owner's flavoured water and bottled water were marketed as a sports drink because they "are specifically formulated to include increased amounts of dissolved oxygen making them an ideal sports drink for athletes." In other words, the product is essentially two products in one bottle – both a water and a sports drink. On that basis, I am satisfied that I have evidence before me that shows use of the Mark on sports drinks, flavoured water and bottled water.

[55] Accordingly, I am satisfied that the Owner has demonstrated use of the Mark in Canada in association with the Goods during the Relevant Period within the meaning of sections 4(1) and 45 of the Act.

DISPOSITION

[56] 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 maintained.

Robert A. MacDonald
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: 2023-01-30

APPEARANCES

For the Requesting Party: No one appearing

For the Registered Owner: Simon Hitchens

AGENTS OF RECORD

For the Requesting Party: St. Lawrence Law Firm LLP

For the Registered Owner: Fasken Martineau Dumoulin LLP