



Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2024 TMOB 002

Date of Decision: 2024-01-04

IN THE MATTER OF A SECTION 45 PROCEEDING

Requesting Party: The Crump Group, Inc.

Registered Owner: Tritap Food Broker, a Division of 676166 Ontario
Limited

Registration: TMA401,199 for CAT'S DELIGHT

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. TMA401,199 for the trademark CAT'S DELIGHT (the Mark), owned by Tritap Food Broker, a Division of 676166 Ontario Limited (the Owner).

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

THE RECORD

[3] At the request of The Crump Group, Inc. (the Requesting Party), the Registrar of Trademarks issued a notice to the Owner under section 45 of the Act on June 1, 2022.

The notice required the Owner to show whether the Mark had 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 use since that date. In this case, the relevant period for showing use is from June 1, 2019 to June 1, 2022.

[4] The Mark is registered for use in association with “Products for cats, namely cat food”.

[5] The relevant definition of use in the present case is set out in section 4 of the Act as follows:

4(1) A trademark is deemed to be used in association with goods if, at the time of the transfer of 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 whom the property or possession is transferred.

[6] It is well accepted that 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)]. However, sufficient facts must still be provided to permit the Registrar to arrive at a conclusion of use of the trademark in association with each of the goods specified in the registration during the relevant period.

[7] In response to the Registrar’s notice, the Owner furnished the affidavit of Joel Usher, the Secretary-Treasurer of 676166 Ontario Limited, together with Exhibits A and B. While both parties filed written representations, no oral hearing was held.

THE EVIDENCE

[8] Mr. Usher attests that in addition to his position as Secretary-Treasurer of the Owner, he is also the General Manager of U-Buy Discount Foods Limited (U-Buy), and that WORLDWIDE FOOD DIST. is a registered business name for U-Buy. Mr. Usher then attests that U-Buy is licensed by the Owner to use the Mark in Canada.

[9] With respect to use of the Mark, Mr. Usher states that the Owner has used and continues to use the Mark in Canada on labels for cat food, including canned cat food, and that the Mark was used in Canada in association with these goods during the relevant period. To demonstrate how the Mark was associated with such goods, he provides:

- Exhibit A – pictures of a can of cat food bearing the Mark. He states that cans bearing such a label were sold in Canada during the relevant period, and that the labels provide a representative sample of the way the Mark appeared during the relevant period and continues to appear on cans of cat food. The Mark clearly appears on the cans of cat food. Furthermore, I note that the label on the cans of cat food shown indicates that the product was prepared for and is a trademark of Tritap Food Broker, a division of 676166, Ontario Limited.

[10] Mr. Usher explains that in the ordinary course of trade and during the relevant period, the Owner sold canned cat food bearing the Mark as depicted in Exhibit A directly to Canadian retail stores, primarily dollar stores and discount grocers, or to distributors who then sell to Canadian retail stores, for sale to consumers. In support, he provides:

- Exhibit B – invoices for cat food bearing the Mark, which he states are representative of invoices issued for such items sold in Canada in association with the Mark during the relevant period and continuously to date. The invoices are dated during the relevant period, clearly list the registered goods (identified as “CAT DELIGHT”), and were issued by “Worldwide Distributors, a division of U-Buy Discount Food Ltd.” to Canadian entities.

[11] Lastly, Mr. Usher concludes his affidavit by stating that “based on the above, the trade-mark CAT’S DELIGHT was used by Tritap in association with cat food sold in Canada during the three-year period immediately prior to the Section 45 notice, on June 1, 2022.”

ANALYSIS

[12] The Requesting Party submits that the registration ought to be expunged, and in this regard, its submissions revolve around two central issues. The first issue alleged is that there is an ambiguity as to the ownership of the Mark. The second issue concerns licensed use and it is alleged that the evidence does not show that use of the Mark accrued to the Owner.

[13] With respect to the first issue noted above, the Requesting Party submits that the Owner is identified on the registration as Tritap Food Broker, a Division of 676166 Ontario Limited, but according to the Usher affidavit, Tritap Food Broker is a registered business name of the numbered company. Thus, the Requesting Party submits that it is unclear from Mr. Usher's statements whether the Owner in this case is Tritap Food Broker *or* the numbered company *or* whether Tritap Food Broker is a separate legal entity *or* simply a business name. The Requesting Party notes that Section 2.4.1 of the *Trademarks Examination Manual* states "[i]n order to be entitled to registration of a trademark, an applicant must be a "person". For the purposes of a trademark application, a "person" may be an individual, partnership, trade union, association, joint venture, or corporation." The Requesting Party submits that due to the ambiguity concerning the status of "Tritap Food Broker" as noted above, the Owner's evidence is insufficient to meet even the low section 45 threshold. In support, the Requesting Party refers to the cases *Compagnie Des Montres Longines Francillon S.A. v Pinto Trading Co* (1983), 75 CPR (2d) 283 (TMOB), and *Playboy Enterprises International, Inc. v Pleasure Playmates*, 2020 TMOB 105.

[14] I do not find the relied upon cases to be applicable. Contrary to the present case, both cited cases are opposition cases, wherein the applicant was identified by trading style *only*, and thus, the applications did not comply with section 30 of the Act.

[15] In the present case, the Owner has been identified as a corporation (676166 Ontario Limited), which is a "person". There is nothing to suggest that the identified "division" (*i.e.* Tritap Food Broker) of the Owner is a separate legal entity. Furthermore, the identification of a trading style need not be mutually exclusive to the name of a

division of a corporation. Indeed, the Owner submits, and I agree, that it is immaterial whether Tritap Food Broker is identified as a Division of the Owner (as per the application filed in 1991), or is a registered business name of the Owner (as per Mr. Usher's sworn statement). Further, the Owner submits that how it is identified on the Register is consistent with the Usher affidavit as well as what is acceptable per the *Trademarks Examination Manual*. The Owner submits that the Requesting Party's submissions which seek to attack the validity of the Owner are not reflective of a mind willing to understand what is being said in the evidence, rather, the Requesting Party's position reflects strained attempts to identify alleged "problems", "gaps", or "ambiguities" in the evidence [an approach inconsistent with section 45 per *Portage World-Wide, Inc v Croton Watch Co, Inc*, 2017 TMOB 96 at paras 20-22]. I agree with all of the Owner's submissions on this point. Indeed, as noted by the Federal Court of Appeal in *Ridout & Maybee LLP v Omega SA* (2005), 43 CPR (4th) 18 (FCA), the validity of the registration is not in dispute in section 45 proceedings and issues of ownership are more properly dealt with by way of application to the Federal Court pursuant to section 57 of the Act.

[16] Now with respect to the second alleged issue identified by the Requesting Party, namely, that the evidence does not show that use of the Mark accrued to the Owner, the Requesting Party notes the following statement from the Usher affidavit: "U-Buy Discount Foods Limited is licensed by 676166 Ontario Limited to use the CAT'S DELIGHT trademark in Canada." The Requesting Party submits, however, that there is no license agreement attached to the affidavit and no evidence that the Owner exercised control over the character and quality of the goods, or even a simple statement to that effect. The Requesting Party submits that when a registered owner relies on the use of its trademark by another person, the registered owner bears the onus of establishing direct or indirect control of the character or quality of the goods or services, such that the person's use enures to the registered owner's benefit [citing section 50 of the Act; *Live! Holdings, LLC v Oyen Wiggs Green & Mutala LLP*, 2020 FCA 120 at para 36, citing *Empresa Cubana del Tabaco v Shapiro Cohen*, 2011 FC 102 at para 84, aff'd 2011 FCA 340; and *IPACK B.V. v McInnes Cooper* 2023 FC 243]. The Requesting Party submits that as the Usher affidavit is conspicuously silent on that point, it must be concluded that any use of the Mark did not accrue to the Owner.

[17] The Owner submits, and I agree, that the court has consistently recognized that a trademark owner does not need to provide a written license agreement to establish use of a trademark [per *Wells' Dairy Inc v UL Canada Inc* (2000), 7 CPR (4th) 77 (FCTD)]. Furthermore, the Owner submits that there are three main methods by which the registered owner of a trademark can demonstrate the control required to benefit from the deeming provision in section 50(1) of the Act:

- a) They can clearly swear to the fact that they exert the requisite control;
- b) They can provide evidence that demonstrates that they exert the requisite control; or
- c) They can provide a copy of a license agreement that explicitly provides for the requisite control: *Empresa Cubana Del Tobacco Trading v Shapiro Cohen*, 2011 FC 102 at para 84, aff'd 2011 FCA 340.

[18] The Owner submits, and I agree, that since the product packaging shown in Exhibit A to the Usher affidavit indicates that the product was "Prepared for" a trademark owner (which is identified as the Owner), this supports an inference of requisite control by virtue of the fact the goods were manufactured by or under the control of the owner [see *Osler, Hoskin & Harcourt v Canada (Registrar of Trademarks)*, (1997) 77 CPR (3d) 475 (FCTD) at para 11 and 28-32].

[19] Further to this, the Owner submits that where the owner of a trademark also controls a closely held corporation that uses the mark, an inference may be drawn that the corporation uses the mark under oral license from the owner, with the owner asserting the requisite control over the character or quality of the wares or services [see *Messrs Bereskin & Parr v Fairweather Ltd*, 2006 FC 1248 at paras 51-52, aff'd 2007 FCA 376]. The mere fact that a registered owner and a licensee are related companies is insufficient that control under license pursuant to section 50 exists [see *MCI Communications Corp v MCI Multinet Communications Inc* (1995), 61 CPR (3d) 245 (TMOB) and *Dynatech Automation Systems Inc v Dynatech Corp* (1995), 64 CPR (3d) 101 (TMOB)]. However, an inference may be drawn that such control exists where an individual is a director or an officer of both the registered owner and the licensee [see *Petro-Canada v 2946661 Canada Inc* (1999), 83 CPR (3d) 129 (FCTD); *Lindy v Canada*

(*Registrar of Trade Marks*) [1999] FCJ No 682 (FCA)]. In the present case, Mr. Usher has identified himself as the Secretary-Treasurer of the Owner, as well as the General Manager of U-Buy Discount Foods Limited, wherein WORLDWIDE FOOD DIST. is a registered business name for U-Buy. Consequently, I accept that the Mark was used under license, per Mr. Usher's sworn statements, and infer by Mr. Usher's positions within the Owner and the licensee, that such use enured to the benefit of the Owner, pursuant to section 50 of the Act. Thus, I accept the Owner has provided evidence that demonstrates that it exerts the requisite control [per *Empresa Cubana, supra*].

[20] Having regard to the aforementioned, I am satisfied that the Owner has provided sufficient evidence to establish use of the Mark within the meaning of sections 4(1) and 45 of the Act.

DISPOSITION

[21] In view of the foregoing, 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.

Kathryn Barnett
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: No hearing held

AGENTS OF RECORD

For the Requesting Party: Dentons Canada LLP

For the Registered Owner: Joanne B. Nardi