

Federal Court



Cour fédérale

Date: 20190731

Docket: T-1963-18

Citation: 2019 FC 987

[UNREVISED CERTIFIED ENGLISH TRANSLATION]

Ottawa, Ontario, July 31, 2019

PRESENT: The Honourable Mr. Justice Annis

BETWEEN:

ROBERT FORGET

Applicant

and

CHARM JEWELRY LIMITED

Respondent

JUDGMENT AND REASONS

I. Introduction

[1] Under section 56 of the *Trade-marks Act*, RSC 1985, c T-13 [the Act], Robert Forget [the applicant] is appealing against a decision of the Trademark Opposition Board [the “Board” or the “Registrar”] dated May 24, 2018. The Board has expunged the registration of the ROMANCE trademark.

[2] The respondent is not contesting the appeal.

II. Facts

[3] The applicant registered the name ROMANCE [the Mark] in his name on May 10, 2012, under registration no. TMA823,809, file no. 1483298. The Mark is registered in association with the following goods: “Jewellery made of gold, silver, metal, crystal or all other materials, available as necklaces, bracelets, rings, earrings, anklets, brooches.”

[4] On January 5, 2016, at the request of Charm Jewelry Limited [the respondent], the Registrar sent the notice stipulated in section 45 of the Act to the applicant for the Mark. The notice required the applicant to furnish an affidavit or a statutory declaration showing, with respect to each of the goods specified in the registration, that the Mark was in use in Canada, as set out in section 4(1) of the Act, at some time between January 5, 2013, and January 5, 2016, and, if not, to provide the date when it was last in use and the reason for the absence of use since that date.

[5] In response to the Registrar’s notice, the applicant filed his own affidavit, sworn on April 4, 2016, at Québec.

[6] None of the parties filed written submissions or requested a hearing.

[7] In response to the Registrar's notice, the applicant first filed a letter dated January 9, 2016 (received on January 19, 2016), to which were attached a business card, two small cards bearing the Mark and three designs representing the Mark (Tab C of the applicant's record).

[8] In a decision rendered on February 24, 2016, the Registrar informed the applicant that his letter and the attachments could not be accepted as evidence in response to the Registrar's notice because, under the provisions of section 45 of the Act, the evidence must be adduced in the form of an affidavit or a statutory declaration.

[9] Consequently, on April 5, 2016, the applicant filed with the Registrar a document entitled [TRANSLATION] "DETAILED AFFIDAVIT", which essentially reproduced the contents of the letter dated January 9, 2016, and to which were attached the three designs that were attached to the letter of January 9, 2016.

III. Impugned decision

[10] The Registrar accepted the three designs attached to the applicant's affidavit as evidence on the record. However, the Registrar noted that the three cards attached to the letter dated January 9, 2016, were not attached to the applicant's affidavit. Consequently, they were not accepted as evidence, as they were not filed in the form of an affidavit or a statutory declaration. The Registrar therefore considered only the affidavit dated April 4, 2016, and the attached designs.

[11] The Registrar noted that the applicant failed to specify if “the use” of the Mark since June 1, 2010, was continuous, or at least in such a manner as to include uses of the Mark between January 5, 2013, and January 5, 2016. Moreover, although the applicant indicated that the jewellery was sold [TRANSLATION] “mainly” in Quebec and Ontario, he did not confirm that in fact the goods were sold in these provinces, in association with the Mark and during the relevant period. The Registrar further noted that it was not indicated that the goods were sold in association with the Mark elsewhere in Canada during the relevant period.

[12] As well, the Registrar noted that the applicant did not specify which of the jewellery was sold in association with the Mark during the relevant period. His affidavit did not refer in any way to the other goods that appear in the registration, namely “anklets” and brooches, and jewellery in metal, crystal and “other materials”. The applicant also did not describe or prove the manner in which the Mark was presented on, or in association with, each of the goods at the time of their sale or transfer during the relevant period.

[13] As for the earring card attached to the applicant’s letter but not to his affidavit, the Registrar found the following:

[30] I will add in passing that if the above-mentioned earring card had been attached to the affidavit and designated as representative of the cards attached to the earrings sold in Canada during the relevant period, this card could have indicated the manner in which the Mark was associated with one of the Goods at the time of its transfer. However, as I mentioned above, I can consider as evidence only the affidavit, to which the card is not attached. In all cases, no evidence proves a transfer of earrings in the normal course of trade.

[14] Lastly, the Registrar noted that, in any case, the applicant did not provide any evidence of sales or transfers of goods in Canada in the normal course of trade during the relevant period.

[15] The Registrar found that, in the absence of additional details and supporting documents, he could not conclude that the Mark as registered was marked on the goods or their packages or was otherwise associated with the goods, such that a notice of this association would have been given to the buyers at the time of the transfer of the property in or possession of the goods. It was thus impossible to determine the extent to which the Mark was used, within the meaning of section 4 of the Act, with each of the goods specified in the registration.

IV. Issues

[16] The appeal raises the following issues:

- a) What is the appropriate standard of review, in light of the new evidence filed on the appeal?
- b) Is the Registrar's decision either correct or reasonable (depending on the resolution of issue A above)?

V. Legislation

Trade-marks Act, RSC 1985, c T-13

When deemed to be used

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

Quand une marque de commerce est réputée employée

4 (1) Une marque de commerce est réputée employée en liaison avec des produits si, lors du transfert de

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.

...

Registrar may request evidence of user

45 (1) The Registrar may at any time and, at the written request made after three years from the date of the registration of a trade-mark by any person who pays the prescribed fee shall, unless the Registrar sees good reason to the contrary, give notice to the registered owner of the trade-mark requiring the registered owner to furnish within three months an affidavit or a statutory declaration showing, with respect to each of the goods or services specified in the registration, whether the trade-mark was in use in Canada at any time during the three year period immediately preceding the date of the notice and, if not, the date when it was last so in use and the reason for the absence of such use since that date.

la propriété ou de la possession de ces produits, dans la pratique normale du commerce, elle est apposée sur les produits mêmes ou sur les emballages dans lesquels ces produits sont distribués, ou si elle est, de toute autre manière, liée aux produits à tel point qu'avis de liaison est alors donné à la personne à qui la propriété ou possession est transférée.

[...]

Le registraire peut exiger une preuve d'emploi

45 (1) Le registraire peut, et doit sur demande écrite présentée après trois années à compter de la date de l'enregistrement d'une marque de commerce, par une personne qui verse les droits prescrits, à moins qu'il ne voie une raison valable à l'effet contraire, donner au propriétaire inscrit un avis enjoignant de fournir, dans les trois mois, un affidavit ou une déclaration solennelle indiquant, à l'égard de chacun des produits ou de chacun des services que spécifie l'enregistrement, si la marque de commerce a été employée au Canada à un moment quelconque au cours des trois ans précédant la date de l'avis et, dans la négative, la date où elle a été ainsi employée en dernier lieu et la raison de son défaut d'emploi depuis cette date.

...

[...]

Appeal

56 (1) An appeal lies to the Federal Court from any decision of the Registrar under this Act within two months from the date on which notice of the decision was dispatched by the Registrar or within such further time as the Court may allow, either before or after the expiration of the two months.

Procedure

(2) An appeal under subsection (1) shall be made by way of notice of appeal filed with the Registrar and in the Federal Court.

Notice to owner

(3) The appellant shall, within the time limited or allowed by subsection (1), send a copy of the notice by registered mail to the registered owner of any trade-mark that has been referred to by the Registrar in the decision complained of and to every other person who was entitled to notice of the decision.

Public notice

(4) The Federal Court may direct that public notice of the hearing of an appeal under subsection (1) and of the matters at issue therein be given in such manner as it deems proper.

Appel

56 (1) Appel de toute décision rendue par le registraire, sous le régime de la présente loi, peut être interjeté à la Cour fédérale dans les deux mois qui suivent la date où le registraire a expédié l'avis de la décision ou dans tel délai supplémentaire accordé par le tribunal, soit avant, soit après l'expiration des deux mois.

Procédure

(2) L'appel est interjeté au moyen d'un avis d'appel produit au bureau du registraire et à la Cour fédérale.

Avis au propriétaire

(3) L'appelant envoie, dans le délai établi ou accordé par le paragraphe (1), par courrier recommandé, une copie de l'avis au propriétaire inscrit de toute marque de commerce que le registraire a mentionnée dans la décision sur laquelle porte la plainte et à toute autre personne qui avait droit à un avis de cette décision.

Avis public

(4) Le tribunal peut ordonner qu'un avis public de l'audition de l'appel et des matières en litige dans cet appel soit donné de la manière qu'il juge opportune.

Additional evidence

(5) On an appeal under subsection (1), evidence in addition to that adduced before the Registrar may be adduced and the Federal Court may exercise any discretion vested in the Registrar.

Preuve additionnelle

(5) Lors de l'appel, il peut être apporté une preuve en plus de celle qui a été fournie devant le registraire, et le tribunal peut exercer toute discrétion dont le registraire est investi.

VI. Analysis

A. *What is the appropriate standard of review, in light of the new evidence filed on appeal?*

[17] The standard of review on an appeal under section 56 of the Act reflects the somewhat unusual nature of this appeal provision. Unlike many appeal provisions, subsection 56(5) expressly allows new evidence to be filed on appeal (*Hilton Worldwide Holding LLP v Miller Thomson*, 2018 FC 895 at para 9 [*Hilton*]).

[18] In *Spirits International BV v BCF SENCRL*, 2012 FCA 131, the Federal Court of Appeal ruled on the standard of review in appeals in which new evidence is adduced in response to a notice served under section 45:

[10] The standard of review to be applied by the Federal Court to the Registrar's findings of fact and exercise of discretion in an appeal of a decision under subsection 45(1) is reasonableness. However, if the judge concludes that the additional evidence presented on the appeal would have materially affected the Registrar's findings of fact or exercise of discretion, the judge must come to his own conclusion on the issue to which the additional evidence relates: *Molson Breweries v. John Labatt Ltd.* (C.A.), [2000] 3 F.C.R. 145 at paragraph 51.

[19] It is therefore for this Court to determine whether the evidence that has been filed on appeal

- (a) is new, in that it adds relevant additional information beyond that which was before the Registrar;
- (b) is probative and reliable, in that it addresses an issue relevant to the legal issues in dispute and is otherwise reliable given the usual legal tests; and
- (c) would have materially affected the Registrar's findings of fact or exercise of discretion, in the sense that, based on the new evidence, the Registrar could reasonably have decided that the subject mark should not be expunged (*Hilton* at para 11).

[20] In determining whether the new evidence would have materially affected the Registrar's decision, the Court must base its assessment not on its quantity, but on its quality, that is, its nature, relevance, probative value and reliability in determining whether it adds material evidence (*Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22 at para 37).

[21] In carrying out this analysis, it is also necessary to consider that the guiding principle of section 45, namely that the provision is intended to provide a method of removing from the register marks that have fallen into disuse, commonly referred to as "deadwood". The provision does not provide for any trial of a contested issue of fact, nor does it provide an alternative to the usual *inter partes* attack on a trademark envisaged by section 57 (*Berg Equipment Co (Canada) Ltd v Meredith & Finlayson*, [1991] FCJ No 1318 (QL) (FCA)).

[22] The applicant filed with the Federal Court four new pieces of evidence that he had not filed with the Registrar:

- a new affidavit from the applicant dated February 14, 2019, attesting that he had been using the name Romance for his daily work for more than 10 years;
- twenty-three invoices, fifteen of which were issued between January 5, 2013, and January 5, 2016, for various jewellery with the abbreviation “Rom”. The appellant maintains that “Rom” is an abbreviation for “Romance” (Appendix E to the applicant’s affidavit);
- two invoices from the jewellery store Le Sablier (Appendix G to the applicant’s affidavit); and
- an affidavit from Alain Descôteaux dated January 15, 2019, attesting that he is the owner of Le Sablier, 863 Jacques-Bédard Street, Québec G2N 1B8, and that the jewellery store has been creating jewellery for the Romance collection at the request of Mr. Forget since June 17, 2012 (Appendix G to the applicant’s affidavit).

[23] At paragraph 27 of the impugned decision, the Registrar notes the following:

. . . in the case at bar, Mr. Forget’s affidavit does not contain any evidence proving that the Goods were transferred in the normal course of trade. Mr. Forget does not provide any sales figures or any document showing any transaction whatsoever.

[24] The specific purpose of the new evidence filed by the applicant is to address this deficiency in the record. The invoices are clearly relevant to the legal issues in dispute and, given the Registrar’s remark, they would have materially affected the Registrar’s findings.

[25] Consequently, it is for the Court to apply the standard of correctness and to draw its own conclusions about the issue addressed by the additional evidence in question.

B. *Is the Registrar's decision either correct or reasonable (depending on the resolution of issue A above)?*

[26] The burden upon the appellants to establish use is not high. The matter before the Registrar is not a civil trial where both sides adduce evidence and the matter is decided on the balance of probabilities. As Justice Hugessen noted in *Berg Equipment Co (Canada) Ltd v Meredith & Finlayson*, [1991] FCJ No 1318 (QL) (FCA), at paragraph 4:

[4] Subsection 45(2) is clear: the Registrar may only receive evidence tendered by or on behalf of the registered owner. Clearly it is not intended that there should be any trial of a contested issue of fact, but simply an opportunity for the registered owner to show, of [*sic*] he can, that his mark is in use or if not, why not.

[27] Evidence of use can take the form of a single commercial transaction in the normal course of trade (*Sols R Isabelle Inc v Stikeman Elliott LLP*, 2011 FC 59).

[28] It is not enough to say that a trademark has been used. It must be shown that it has been used (*Curb v Smart & Biggar*, 2009 FC 47, and cases cited therein).

[29] The level of proof required is low, and there is no need to adduce an overabundance of evidence. Nevertheless, sufficient facts must be provided to conclude that the Mark was used in association with each of the goods specified in the registration during the relevant period.

[30] In this case, the closest that one comes to possible evidence of use are the invoices in Appendix E to the applicant's affidavit. They show that various products, including earrings, chains, necklaces and rings, were sold by Robert Forget on a number of occasions between 2013 and 2016. However, it is noteworthy that the word "Romance" does not appear anywhere. The invoices contain lists of items with descriptions, some of which include the abbreviation "ROM".

[31] Very similar evidence was presented to this Court in *Medos Services Corporation v Ridout and Maybee LLP*, 2013 FC 1006 [*Medos*]. In that case, Medos appealed against the Registrar's decision to expunge the MEDOS trademark. The appellant filed a number of pieces of new evidence with the Court, including invoices to the Société de l'assurance automobile du Québec with respect to certain patients. The invoices covered hospital bed repairs, hydrostatic safety tests, refills, masks and tubing, and annual inspections. Justice Harrington found that the invoices did not establish use of the MEDOS trademark because there was no explicit mention of that mark.

[32] By contrast, in this case, the applicant filed two pieces of evidence associating the abbreviation "ROM" to the Romance collection of jewellery, namely a written statement explaining that [TRANSLATION] "ON THE INVOICES, IN THE ITEM COLUMN, ROM MEANS ABBREVIATION OF ROMANCE", and an affidavit from Alain Descôteaux stating that he is the owner and jeweller of the jewellery store Le Sablier, which produces the Romance collection of jewellery at the request of the applicant.

[33] Consequently, even though there is no explicit mention of “Romance”, the invoices in question do establish use (*Medos* at para 14).

[34] Since the applicant has filed new evidence that includes the “ROMANCE” mark, this Court finds that the Mark was in use between January 5, 2013, and January 6, 2018.

VII. Conclusion

[35] Consequently, the application is allowed, the Registrar’s decision to expunge is set aside and the registration no. TMA823,809 for the ROMANCE trademark is maintained in the register.

[36] The applicant seeks costs; however, they were not specified in the applicant’s memorandum of fact and law or at the hearing before the Court.

[37] As stated in *Amos v Canada (Attorney General)*, 2018 FC 1242 at para 80:

[80] . . . Nowadays, our Court has shown a willingness to award a moderate allowance for time and effort insofar as the litigant in person incurred an opportunity cost by foregoing some remunerative activity. . . . On the other hand, I see no reason why the applicant could not be compensated for the disbursements incurred in bringing his case to this Court. . . .

[38] Moreover, as established by Justice Catherine Kane in *Hi-Star Franchise Systems, Inc v Stemp & Company*, 2019 FC 222, the Court may award costs to a successful applicant despite a respondent’s non-opposition.

[39] However, the applicant must first establish that costs were incurred as a result of the respondent's conduct (*Iscada Inc v Aventum IP Law LLP*, 2019 FC 406 at para 20 [*Iscada*]).

[40] However, it is not disputed that insufficient documentation had been filed to establish the use of the Mark before additional documents were provided in this appeal. In this case, as in *Iscada*, the applicant had no choice but to appeal the Registrar's decision in order to maintain his Mark, and the respondent withdrew its opposition to the appeal immediately upon being served with the applicant's request for a hearing.

[41] In the circumstances, this Court concludes that there should be no order as to costs.

JUDGMENT in T-1963-18

THIS COURT'S JUDGMENT is that the application is allowed without costs. The Registrar's decision is set aside, and the registration no. TMA823,809 for the ROMANCE trademark is maintained in the register.

“Peter Annis”

Judge

Certified true translation
This 19th day of August 2019

Johanna Kratz, Translator

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-1963-18

STYLE OF CAUSE: ROBERT FORGET v CHARM JEWELLERY
LIMITED

PLACE OF HEARING: Québec, Quebec

DATE OF HEARING: June 27, 2019

JUDGMENT AND REASONS: ANNIS J.

DATED: July 31, 2019

APPEARANCES:

Robert Forget

FOR THE APPLICANT
(ON HIS OWN BEHALF)