

Federal Court



Cour fédérale

**Date: 20130130**

**Docket: T-816-12**

**Citation: 2013 FC 97**

**Ottawa, Ontario, January 30, 2013**

**PRESENT: The Honourable Mr. Justice O'Keefe**

**BETWEEN:**

**DART INDUSTRIES INC.**

**Applicant**

**and**

**BAKER & MCKENZIE LLP**

**Respondent**

**REASONS FOR JUDGMENT AND JUDGMENT**

[1] This is an appeal from the decision of a hearing officer (the officer), acting under authority delegated from the Registrar of Trade-marks, expunging Registration No. TMA145,567 (the mark). The officer was not satisfied the evidence showed the requisite use of the mark during the relevant period of time as required by the *Trade-marks Act*, 1985 RSC, c T-13 (the Act).

[2] Dart Industries Inc. (the applicant) seeks an order granting the appeal and maintaining the mark in good standing. The respondent did not appear to dispute the appeal.

## **Background**

[3] The applicant holds the mark for “FLAVOR SAVER”. It was registered on June 3, 1966, and was last renewed on June 3, 2011. The registration covers plastic household containers and covers.

[4] On January 25, 2010, the Registrar issued a notice under section 45 of the Act requiring the applicant to file evidence that the mark had been used in Canada in association with the specified wares at any time during the period of January 25, 2007 to January 25, 2010. It was issued at the request of the respondent.

[5] The applicant filed an affidavit including two representative promotional flyers featuring the trade-mark that had been distributed to customers and prospective customers during the relevant period. The affiant’s evidence was that the sales of the FLAVOR SAVER containers were through catalogue sales in its home party sales programs.

## **The Decision**

[6] On February 17, 2012, the officer decided that the mark’s registration should be expunged and gave reasons cited as 2012 TMOB 20.

[7] The officer noted there was little evidence of how the mark was associated with the wares at the time of transfer or sale and whether the mark was displayed on the wares. The officer

acknowledged that notice of association between a trade-mark and unmarked wares could be established by way of catalogues or product literature, but held that this was only possible when such literature was used in the ordering and purchasing.

[8] The officer noted the affidavit did not state that the flyers were distributed in the applicant's home parties or that the flyers were used as catalogues when ordering and purchasing the wares. Although the affidavit noted home parties, it was not clear that the flyers were distributed at the time of the transfer of property. The officer indicated he would have benefited from the affiant providing further details regarding the conduct of the home parties and the manner in which transactions took place. Absent such detail, he was unable to find that there was requisite association between the mark and products. The mere distribution of the flyers was insufficient to establish use.

[9] The officer, pursuant to his delegated authority under subsection 63(3) of the Act, ordered that the registration be expunged in compliance with section 45 of the Act.

### **Issues**

[10] The applicant's memorandum raises the following issue:

1. Did the applicant use the mark during the relevant period in association with plastic containers?

[11] I would rephrase the issues as follows:

1. What is the appropriate standard of review?

2. Does the evidence establish the requisite association between the mark and the wares?

**Applicant's Written Submissions**

[12] The applicant argues that in an appeal from the Registrar, new evidence may be adduced to this Court. Where such evidence has been filed that could have materially affected the Registrar's decision, as in this case, the Court must consider the matter *de novo* and come to its own conclusion on the issue to which the additional evidence relates. The new evidence in this appeal specifically addresses the deficiencies identified by the officer, so this Court must consider the issue of evidence of requisite use *de novo*.

[13] Proceedings under section 45 of the Act are summary and administrative in nature. Their purpose is to remove registrations which have fallen into disuse. The burden of proof is not a heavy one.

[14] A sale for the purposes of section 45 includes a sale to a distributor and it is not necessary to show transactions along the entire chain to the ultimate consumer.

[15] Leaflets, product literature and catalogues bearing the mark can provide the required notice of association between the mark and the wares when they are used in ordering and purchasing.

[16] The applicant's new affidavit establishes that Tupperware products, including the FLAVOR SAVER container, are sold in Canada by independent sales consultants who are independent business owners. The mark was used during the relevant period because it was associated with the wares at the time of transfer of the property of the wares to these consultants.

[17] The consultants used the flyer included in the applicant's original evidence to purchase FLAVOR SAVER containers online through a web-based ordering application. On the date of the publication of the flyer, over 100 orders were placed from Canada for these containers. The consultants paid for such orders with credit cards and took ownership of the containers.

[18] The consultants therefore used the flyer when ordering and purchasing the wares. The flyer made the consultants aware of the wares and enabled them to order and purchase the wares online, by providing images of the containers together with the mark. The sales were in the normal course of trade because the purchasers took ownership of the wares for resale or personal use.

### **Respondent's Written Submissions**

[19] The respondent filed no written submissions.

## **Analysis and Decision**

### [20] **Issue 1**

What is the appropriate standard of review?

Where previous jurisprudence has determined the standard of review applicable to a particular issue before the court, the reviewing court may adopt that standard (see *Dunsmuir v New Brunswick*, 2008 SCC 9, [2008] 1 SCR 190 at paragraph 57).

[21] If additional evidence presented on appeal would have materially affected the Registrar's decision, then this Court must come to its own conclusion on the issue the additional evidence relates to (see *Spirits International BV v BCF SENCRL*, 2012 FCA 131 at paragraph 10, [2012] FCJ No 526).

[22] In this appeal, the sole issue is whether the mark was used in association with the wares during the relevant period. The applicant's new evidence is directly relevant to that issue. I will therefore consider this issue *de novo*, as that term is used; in this case as evidence from the previous hearing is also considered it is not truly a *de novo* hearing.

### [23] **Issue 2**

Does the evidence establish the requisite association between the mark and the wares?

As Mr. Justice Yves de Montigny wrote in *Philip Morris Products SA v Marlboro Canada Limited*, 2010 FC 1099 at paragraph 236, [2010] FCJ No 1385:

... it has been held that leaflets, product literature, and pricing stickers bearing the trade-mark, as well as catalogues, can provide

the required notice of association between the trade-mark and the wares to the purchaser when they are used in ordering and purchasing.

[24] The issue in this case, as first identified by the officer, is whether the flyers clearly associating the mark with the wares were in fact used in ordering and purchasing (officer's decision at paragraphs 13 to 15).

[25] The applicant's new evidence establishes that they were in fact used in ordering. The purchasers of the wares, the consultants, placed online orders from the applicant. The timing of the purchases, more than 100 on the day the flyer was released, shows that the purchasers were responding to the flyer in placing their orders. The flyer, which uses the mark in connection with the wares, has therefore been used in "ordering and purchasing" as described above.

[26] Although in the era before online purchasing, the applicant might have more direct proof of the flyer's connection to ordering on the basis of the orders being placed using a form from a flyer or catalogue, there is no need to hold registrants to such a requirement in the face of emerging technologies. Here, the timing of the orders is sufficient to link the flyers to the online orders despite the separation of the two media of communication.

[27] The appeal is therefore granted, the officer's decision is set aside, and Registration No. TMA145,567 should remain in good standing.

**JUDGMENT**

**THIS COURT'S JUDGMENT is that** the application is allowed, the order of the Registrar dated February 17, 2012 expunging Registration No. TMA145,567 is set aside, therefore maintaining Registration No. TMA145,567 in good standing.

“John A. O’Keefe”

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Judge



## ANNEX

**Relevant Statutory Provisions*****Trade-marks Acts, RSC 1985, c T-13***

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 wares 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.

(2) The Registrar shall not receive any evidence other than the affidavit or statutory declaration, but may hear representations made by or on behalf of the registered owner of the trade-mark or by or on behalf of the person at whose request the notice was given.

(3) Where, by reason of the evidence furnished to the Registrar or the failure to furnish any evidence, it appears to the Registrar that a trade-mark, either with respect to all of the wares or services specified in the registration or with respect to any of those wares or services, was not used in Canada at any time during the three year period immediately preceding the date of the notice and that the absence of use has not been due to special circumstances that excuse the absence of use, the registration of the trade-mark is liable to be expunged or

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 lui enjoignant de fournir, dans les trois mois, un affidavit ou une déclaration solennelle indiquant, à l'égard de chacune des marchandises 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.

(2) Le registraire ne peut recevoir aucune preuve autre que cet affidavit ou cette déclaration solennelle, mais il peut entendre des représentations faites par le propriétaire inscrit de la marque de commerce ou pour celui-ci ou par la personne à la demande de qui l'avis a été donné ou pour celle-ci.

(3) Lorsqu'il apparaît au registraire, en raison de la preuve qui lui est fournie ou du défaut de fournir une telle preuve, que la marque de commerce, soit à l'égard de la totalité des marchandises ou services spécifiés dans l'enregistrement, soit à l'égard de l'une de ces marchandises ou de l'un de ces services, n'a été employée au Canada à aucun moment au cours des trois ans précédant la date de l'avis et que le défaut d'emploi n'a pas été attribuable à des circonstances spéciales qui le justifient, l'enregistrement de cette marque de

amended accordingly.

(4) When the Registrar reaches a decision whether or not the registration of a trade-mark ought to be expunged or amended, he shall give notice of his decision with the reasons therefor to the registered owner of the trade-mark and to the person at whose request the notice referred to in subsection (1) was given.

(5) The Registrar shall act in accordance with his decision if no appeal therefrom is taken within the time limited by this Act or, if an appeal is taken, shall act in accordance with the final judgment given in the appeal.

commerce est susceptible de radiation ou de modification en conséquence.

(4) Lorsque le registraire décide ou non de radier ou de modifier l'enregistrement de la marque de commerce, il notifie sa décision, avec les motifs pertinents, au propriétaire inscrit de la marque de commerce et à la personne à la demande de qui l'avis visé au paragraphe (1) a été donné.

(5) Le registraire agit en conformité avec sa décision si aucun appel n'en est interjeté dans le délai prévu par la présente loi ou, si un appel est interjeté, il agit en conformité avec le jugement définitif rendu dans cet appel.

**FEDERAL COURT**  
**SOLICITORS OF RECORD**

**DOCKET:** T-816-12

**STYLE OF CAUSE:** DART INDUSTRIES INC.  
- and -  
BAKER & MCKENZIE LLP

**PLACE OF HEARING:** Toronto, Ontario

**DATE OF HEARING:** January 16, 2013

**REASONS FOR ORDER  
AND ORDER OF:** O'KEEFE J.

**DATED:** January 30, 2013

**APPEARANCES:**

Mark L. Robbins

FOR THE APPLICANT

No One Appearing

FOR THE RESPONDENT

**SOLICITORS OF RECORD:**

Bereskin & Parr LLP  
Toronto, Ontario

FOR THE APPLICANT

Baker & McKenzie LLP  
Toronto, Ontario

FOR THE RESPONDENT