

**Date: 20071218**

**Docket: T-1093-06**

**Citation: 2007 FC 1229**

**Ottawa, Ontario, December 18, 2007**

**PRESENT: The Honourable Mr. Justice Martineau**

**BETWEEN:**

**BROUILLETTE KOSIE PRINCE**

**Applicant**

**and**

**ORANGE COVE-SANGER  
CITRUS ASSOCIATION**

**Respondent**

**REASONS FOR ORDER AND ORDER**

[1] The applicant appeals the decision of the Registrar of trade-marks (the Registrar) with respect to a section 45 proof-of-use proceeding under the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act) which provides:

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,

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

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

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

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 amended accordingly.

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 commerce est susceptible de radiation ou de modification en conséquence.

(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.

(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) 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.

(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.

[2] The respondent, Orange Cove-Sanger Citrus Association (Orange Cove), a grower and packer of citrus fruits, is the owner of the Canadian Trade-mark registration number UCA36,133 for POM-POM (the Subject Mark) which was registered on March 28, 1950 for use in association with the following wares: "fresh citrus fruits" (POM-POM fruits).

[3] On June 25, 2003, at the request of the applicant Brouillette Kosie Prince, the Registrar forwarded a Notice under section 45 of the Act to the respondent to show that the Subject Mark was

in use in Canada during the relevant three-year period, specifically between June 25, 2000 and June 25, 2003 (the Relevant Period), in association with fresh citrus fruits.

[4] In response to the Notice, the respondent furnished the affidavit of Lee C. Bailey (the First Bailey Affidavit), President of the registered owner, together with exhibits. Each party filed written arguments and was represented at an oral hearing held on February 16, 2006 before D. Savard (the hearing officer), acting on behalf of the Registrar.

[5] On May 4, 2006, the hearing officer concluded that the evidence shows the use of the Subject Mark by the registered owner in association with the registered wares in the manner required by the Act. The registration of POM-POM was maintained.

[6] An appeal from the decision of the Registrar lies to the Federal Court under section 56 of the Act which reads as follows:

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.

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

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.

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

Court.

(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.

(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.

(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.

(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.

(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.

(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.

Pursuant to Rule 300(d) of the *Federal Courts Rules*, SOR/98-106 as amended, section 56 appeals are brought by way of an application.

[7] Section 45 of the Act is meant to be a simple, summary and expeditious procedure designed to remove “deadwood” or obsolete or outdated registered trade-marks from the register: *Saks & Co. v. Registrar of Trade-Marks) et al.* (1989), 24 C.P.R. (3d) 49 (F.C.T.D.) and *Philip Morris Inc. v. Imperial Tobacco Ltd. et al. (No.2)*, (1987) 17 C.P.R. (3d) 237, [1987] F.C.J. No. 848 (F.C.A.)

(QL). As stated by my colleague Justice Hughes in *Levi Strauss & Co. v. Canada (Registrar of Trade-Marks)*, 2006 FC 654, [2006] F.C.J. No. 840 (QL), such proceedings are not the place for the engagement of "the kind of meticulous verbal analysis in which lawyers are too often tempted by their training to indulge." In a section 45 proceeding, the burden of proof is on the registered owner of the trade-mark to demonstrate "use" in order to maintain a trade-mark on the register. It is clear from the jurisprudence that this burden is not a stringent one. The owner must only establish a *prima facie* case of use within the meaning of section 4 of the Act.

[8] Section 2 of the Act states that "use" means "any use that by section 4 is deemed to be a use in association with wares or services." Subsection 4(1) of the Act provides the following:

4. (1) A trade-mark is deemed to be used in association with wares if, at the time of the transfer of the property in or possession of the wares, in the normal course of trade, it is marked on the wares themselves or on the packages in which they are distributed or it is in any other manner so associated with the wares that notice of the association is then given to the person to whom the property or possession is transferred.

4. (1) Une marque de commerce est réputée employée en liaison avec des marchandises si, lors du transfert de la propriété ou de la possession de ces marchandises, dans la pratique normale du commerce, elle est apposée sur les marchandises mêmes ou sur les colis dans lesquels ces marchandises sont distribuées, ou si elle est, de toute autre manière, liée aux marchandises à tel point qu'avis de liaison est alors donné à la personne à qui la propriété ou possession est transférée.

[9] It is undisputed that where on appeal no new evidence is filed that would have materially affected the Registrar's findings or exercise of discretion, the standard of review is reasonableness *simpliciter* whether the issue is one of fact or mixed fact and law (*Molson Breweries, a Partnership*

*v. John Labatt Ltd.* (2000), 5 C.P.R. (4th) 180, [2000] F.C.J. No. 159 (F.C.A.) (QL); *Footlocker Canada Inc. v. Steinberg*, 2005 FCA 99, [2005] F.C.J. No. 485 (F.C.A.) (QL); *Fairweather Ltd. v. Canada (Registrar of Trade-Marks)*, 2006 FC 1248, [2006] F.C.J. No. 1573 (F.C.)(QL)). However, where additional evidence is adduced in Court that would have materially affected the Registrar's findings of fact or the exercise of her or his discretion, the Court must decide the issue *de novo* after considering all of the evidence before it. In doing so, the Court will substitute its own opinion to that of the Registrar without any need to find an error in the Registrar's reasoning. To determine whether the new evidence is sufficient to warrant a determination *de novo*, this Court must look at the extent to which the additional evidence has a probative significance that extends beyond the material that was before the Registrar. If the new evidence adds nothing of significance, but is merely repetitive of existing evidence, without increasing its cogency, the issue will be whether the Registrar's decision can survive a somewhat probing examination.

[10] In this case, the First Bailey Affidavit stated that the normal course and primary nature of the company's business is that of grower and packer of citrus fruits. Mr. Bailey explained that the company is a grower member of Sunkist Growers Inc. (Sunkist), an agricultural cooperative comprised of growers and affiliated packinghouses and that the sales department of Sunkist assists in the distribution of the products of its member growers including the invoicing of such products to the buyers on behalf of its members. Mr. Bailey stated his company's POM-POM trade-mark is used in Canada in association with POM-POM fruits by way of application of the Subject Mark to packaging for the wares. As Exhibit "A", he provided a specimen carton demonstrating the manner the trade-mark is used by his company in association with fresh citrus fruits in the Canadian

marketplace. He also provided as Exhibit “B” three invoices from the Relevant Period confirming the sale of POM-POM fruits. According to Mr. Bailey, POM-POM fruits are promoted and advertised in Canada through direct calls by sales representatives on prospective Canadian purchasers.

[11] On appeal, the respondent adduced the affidavits of Richard Gregory French (the French Affidavit), Fay O’Brien and a supplemental affidavit of Mr. Bailey (the Second Bailey Affidavit). On April 3, 2007, I found that Ms. O’Brien’s affidavit is entirely irrelevant and I ordered that it be struck from the Court’s record.

[12] The French Affidavit indicates that the latter has been the Vice-President and Chief Financial Officer of Sunkist since June 2006, prior to which he was the President of Finance and Treasurer of Sunkist for five years. In total, Mr. French has been employed by Sunkist for twenty-eight years. Mr. French explains that Sunkist is an agricultural cooperative whose membership is comprised of thousands of growers, packinghouses and regional marketing cooperative organization in California and Arizona. Sunkist assists with the distribution of the products of its members. Mr. French states that Orange Cove is a member of Sunkist and that he was asked to provide a representative sample of invoices confirming the sale of fresh citrus fruit sold in association with the Subject Mark in Canada during the Relevant Period. Attached as Exhibit “A” to Mr. French’s Affidavit are numerous invoices which demonstrate that POM-POM fruits have been shipped to various Canadian purchasers during the Relevant Period. Some of these invoices are the same as were adduced by Mr. Bailey in the First Bailey Affidavit. Mr. French also



states that Sunkist's assistance to members includes processing the placement of orders for members' produce, including POM-POM fruits, through Sunkist's Canadian sales offices. These transactions are processed through Sunkist's fresh fruit marketing system (FFM System) which is a computerized system for ordering, tracking and invoicing fresh fruit. Accordingly, although POM-POM fruits are shipped directly from Orange Cove's packinghouses to the relevant Canadian purchaser, Sunkist invoices the purchaser through the FFM System. As invoices often enclose confidential information relating to the sales of other Sunkist members, Orange Cove only receives an account on the sale of its own products, instead of a copy of invoices.

[13] The Second Bailey Affidavit may be summarized as follows:

- Orange Cove has sold POM-POM fruits in Canada for decades including throughout the Relevant Period.
- The primary nature of Orange Cove is that of grower and packer of fresh citrus fruit.
- Orange Cove is a grower member of Sunkist.
- Orange Cove owns and operates two packinghouses.
- Canadian purchasers place orders for POM-POM fruits with Sunkist's Canadian Sales Offices, who in turn enter the inquiry into the FFM System. POM-POM fruits are shipped directly from Orange Cove's packinghouses for the relevant Canadian destination. The packinghouse sends a notification of the shipment to the district exchanges of Sunkist, Sunkist's Canadian Sales Office, and the purchaser. After two days, Sunkist invoices the purchaser. Orange Cove receives from Sunkist an account of the sale of its own products.

- POM-POM is prominently marked on the packaging in which POM-POM fruits are distributed to Canadian purchasers.
- When POM-POM fruits are shipped from the Orange Cove location, the invoices are marked accordingly “ORANGE COVE CITR” in the bottom left hand corner.
- Orange Cove’s sales of fresh citrus fruit have been in excess of thirteen million U.S. dollars since 2000, the vast majority of which reflect the sale of POM-POM fruits.
- Exhibit “A” is a photocopy of a specimen carton end demonstrating the manner the Subject Mark is used by Orange Cove in association with fresh citrus fruits in the Canadian market place.
- Exhibit “B” are invoices confirming the sale of fresh citrus fruits sold in association with the Subject Mark in Canada during the Relevant Period.

[14] After a careful review of the new evidence submitted by the respondent, and having considered the submissions made by counsel, I conclude that same would not have materially affected the Registrar’s exercise of power in this section 45 proceeding. The new evidence simply confirms the role of Sunkist as an agricultural cooperative that assists its grower members with the sales and invoicing process. It explains the normal course of business and clarifies how invoices are issued by Sunkist on behalf of grower members such as Orange Cove. It also confirms that POM-POM fruits are shipped directly from the respondent’s packinghouses to the relevant Canadian purchasers. It also touches incidentally the issue of use. Further, it includes a representative sample of invoices confirming the sale of fresh citrus fruits sold in association with the POM-POM

registration in Canada during the Relevant Period. Accordingly, I am of the view that the applicable standard of review in this case is that of reasonableness *simpliciter*.

[15] The applicant takes issue with the quality of the evidence submitted by the respondent both before the Registrar and this Court. The applicant raises essentially the same arguments in this appeal as were raised at the proof-of-use hearing. The applicant submits the evidence before the Registrar does not demonstrate use of the Subject Mark by Orange Cove during the Relevant Period. The applicant states that the specimen carton end or a photocopy of same, included as Exhibit “A” to the First and Second Bailey Affidavit, does not demonstrate the manner in which the Subject Mark is used in Canada. In this regard, the applicant argues that the respondent should have provided a photograph of a complete box or multiple boxes to prove the Subject Mark is used in the normal course of business. Moreover, counsel for the applicant stresses that the inscriptions appearing on the specimen carton are confusing and do not conclusively establish that the Subject Mark is used by the respondent. The applicant submits that none of the invoices included as Exhibit “B” to the First and Second Bailey Affidavit allow the Registrar to find a link between the Subject Mark and the respondent. Instead, according to the applicant, the evidence suggests that POM-POM is used in association with fresh citrus fruits by Sunkist and not Orange Cove. Moreover, there is a flagrant contradiction between what was stated in the Second Bailey Affidavit (that the notation ORANGE COVE CITR references the location of packing of the wares) and what was put forth by the respondent in its submissions to the Registrar (that the reference ORANGE COVE CITR represents the respondent). Finally, it is alleged that the Registrar erred by relying solely on *Desjardins Ducharme Stein Monast v. Baird-Neece Packing Corp.* (2005), 50 C.P.R. (4th) 45,

[2005] T.M.O.B. No. 155 (QL) (*Desjardins*), instead of looking at the specific facts involved in the case at bar.

[16] In spite of the arguments raised by the applicant's able counsel, I find that the Registrar's decision is reasonable in all respects and can stand up to a somewhat probing examination. Overall, I find that the evidence before the Registrar and the additional evidence adduced before the Court both support the findings of fact made by the hearing officer, including the determination that the Subject Mark has been used in Canada during the Relevant Period in association with fresh citrus fruits.

[17] While it may have been possible for the respondent to prove the linkage and use of the Subject Mark in Canada with other relevant documentation, there is no reason in this case to disbelieve the truth of what has been stated in the First Bailey Affidavit (which was also confirmed in the Second Bailey Affidavit and the French Affidavit). Indeed, it was reasonably open for the Registrar to find that the Subject Mark has been used by the respondent in the normal course of business. Photographs of a complete box or multiple boxes would have been helpful, but the lack of photographs, is not determinative, as I find that the production of a specimen carton and relevant invoices are conclusive evidence. Likewise, I agree with the respondent that there was no direct contradiction with respect to the significance of the notation: ORANGE COVE CITR. The First Bailey Affidavit lacked in specificity and the Second Bailey Affidavit merely clarified exactly how the notation refers to the respondent.

[18] Indeed, the hearing officer was satisfied that when read fairly and as a whole, the evidence shows the use of the Subject Mark POM-POM in association with “fresh citrus fruits” during the Relevant Period by Orange Cove in a manner that complies with the requirements of section 4 of the Act. The hearing officer was not persuaded by the arguments raised by the applicant regarding the ambiguity of the evidence. Although the applicant argued Mr. Bailey ought to have produced documents confirming the status of the registered owner as a member of Sunkist Growers, as well as a copy of the contract between Sunkist and Orange Cove, the hearing officer was of the opinion that such documents, while useful, were not necessary in these proceedings. The hearing officer noted that Mr. Bailey had sworn that Orange Cove is a grower member of Sunkist and that Sunkist assists in the distribution of the products of the grower members including the invoicing to the buyers on the members’ behalf. Finding no reason to disbelieve Mr. Bailey’s affidavit, the hearing officer accepted as a fact that Sunkist is not the user of the trade-mark but is merely acting as the registrant’s agent or distributor with respect to the registered wares. I am unable to find any reviewable error made by the hearing officer in this regard.

[19] The hearing officer also noted the invoices appended to the First Bailey Affidavit confirmed the sale of the registrant’s POM-POM fresh citrus fruits in Canada. Concerning the manner the Subject Mark was associated with the wares at the time of their transfer in the normal course of trade, the hearing officer emphasized that Mr. Bailey swore in his affidavit that the trade-mark is used in Canada with fresh citrus fruits by way of application of the Subject Mark to the packaging for the wares in the manner shown by Exhibit “A”. Further, as Exhibit “A” clearly bears the Subject Mark and clearly refers to oranges which are fresh citrus fruits, the hearing officer reasonably

concluded that at the time of the transfer of the wares to Orange Cove's Canadian purchasers (as listed in the affidavit and on the invoices), the trade-mark was linked to the wares in a manner satisfying the requirements of subsection 4(1) of the Act during the Relevant Period. I also wish to stress that, in my opinion, the evidence brought by the respondent goes well beyond being a mere broad statement of use of the Subject Mark. I further note that the respondent furnished invoices which clearly confirm the sale of POM-POM brand fresh citrus fruits during the Relevant Period. Since the wares in packaging bearing the trade-mark are sold to the registrant's Canadian purchasers (mostly to grocery stores), such use is in the normal course of trade and is use complying with the requirements of the Act. While the hearing officer drew a parallel with *Desjardins*, I see no evidence in the impugned decision to suggest the hearing officer felt bound to rely on *Desjardins* irrespective of the specific facts that are raised in this case. The comparison with *Desjardins* simply demonstrates how a lack of evidence that the trade-mark appeared in association with the wares when the wares reached the end-users is not determinative. Finally, the fact that the packaging also references Sunkist does not negate the fact that POM-POM is being used by the registered owner in association with fresh citrus fruits.

[20] Overall, I find that the hearing officer carefully read and fully considered the First Bailey Affidavit and exhibits, as well as the written arguments and oral submissions of the parties. The ultimate conclusion reached in this case that "the evidence shows use of the trade-mark by the registered owner in association with the registered wares in the manner required by the Trade-marks Act" is clearly a matter of fact and law falling within the area of the Registrar's specialised

expertise. I am thus, unable to find any error that warrants interference by this Court. Accordingly, the Registrar's decision should not be varied or set aside.

[21] In conclusion, the present appeal must fail. In light of the result and all other relevant factors, costs shall be in favour of the respondent.

**ORDER**

**THIS COURT ORDERS** that the appeal be dismissed with costs in favour of the respondent.

“Luc Martineau”  
\_\_\_\_\_  
Judge



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

**DOCKET:** T-1093-06

**STYLE OF CAUSE:** BROUILLETTE KOSIE PRINCE v.  
ORANGE COVE-SANGER CITRUS  
ASSOCIATION ET AL

**PLACE OF HEARING:** Montreal, Quebec

**DATE OF HEARING:** November 19, 2007

**REASONS FOR ORDER AND ORDER:** MARTINEAU J.

**DATED:** December 18, 2007

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