

Date: 20090120

Docket: T-861-08

Citation: 2009 FC 47

Ottawa, Ontario, January 20, 2009

PRESENT: The Honourable Mr. Justice Harrington

BETWEEN:

MICHAEL CURB

Applicant

and

SMART & BIGGAR

Respondent

REASONS FOR ORDER AND ORDER

[1] Mike Curb is a well-known American record producer. His company, Curb Records, represents such well-known Country and Western artists as LeAnn Rimes, Tim McGraw and Jo Dee Messina. He is also the registered owner of the Canadian Trade-Mark Registration Number TMA521,953 for Curb Records which originally covered:

Wares: Audio and audio-visual recordings; printed materials, namely posters; clothing, namely, t-shirts and caps.

Services: Entertainment services provided by pre-recorded and live music; and the production, publishing and distribution of audio and audio-visual recordings.

[2] Pursuant to section 45 of the *Trade-marks Act*, the Registrar sent a notice on 4 November 2005 requiring Mr. Curb, at the request of the respondent Smart & Biggar, to file evidence that the trade-mark had been used in Canada in association with each of the above wares and services at any time during the preceding three years.

[3] Following affidavit evidence from Tracy Moore, Senior Vice-President at Curb Records, and an exchange of written submissions, the Registrar found that the trade-mark had been used in Canada during the relevant period in association with audio and audio-visual recordings. However, she also found that there was insufficient evidence of use in association with the other wares and all the services listed in the Registration and ordered that the trade-mark be amended to delete posters, t-shirts and caps, entertainment services provided by pre-recorded and live music and the production, publishing and distribution of audio and audio-visual recordings. This is an appeal from that decision pursuant to section 56 of the Act.

[4] Neither the respondent nor the Registrar chose to participate.

POINTS IN ISSUE

[5] The points in issue in this appeal are:

- a. What is the appropriate standard of review of the Registrar's decision?
- b. Did Curb use the Curb Records trade-mark in Canada, during the relevant period, in association with each of the deleted wares and services?

STANDARD OF REVIEW

[6] A section 56 appeal is a hybrid in that new evidence is allowed by right. In this case, new evidence has been submitted with respect to four of the five wares or services deleted. Although no new specific evidence has been led with respect to the fifth item, namely t-shirts and caps, the Court has been invited to infer from all the circumstances, particularly the new evidence submitted on other points, to overturn the Registrar's decision on that point as well.

[7] When new evidence has been filed that would have materially affected a registrar's finding, the Court is entitled to consider the issue *de novo*, without owing deference to the Registrar or having to identify an error committed by her (*Maison Cousin (1980) Inc. v. Cousins Submarines Inc.*, 2006 FCA 409, 60 C.P.R. (4th) 369 and *John Labatt Ltd. et al v. Molson Breweries, a Partnership*, 5 C.P.R. (4th) 180).

[8] If new evidence is not filed, the standard for reviewing findings of fact or mixed fact and law is reasonableness (*Guido Berlucchi & C. S.r.l. v. Brouillette Kosie Prince*, 2007 FC 245, 56 C.P.R. (4th) 401 and *Maison Cousin*, above). Errors in law are reviewed on the correctness standard (*Molson*, above).

DECISION

[9] I have come to the conclusion that the new evidence filed would have materially affected the Registrar's decision. Considering the matter *de novo* I am satisfied that this appeal succeeds, except with respect to t-shirts and caps. I do not think that the new evidence filed spills over into the issue

of whether sales or distribution of these items occurred in Canada. The Registrar's findings in this regard were reasonable. Even if I were to exercise my discretion *de novo* I would come to the same conclusion.

[10] The evidence before the Registrar, as aforesaid, was an affidavit from Tracy Moore. The evidence before me is another, far more detailed, affidavit from Ms. Moore.

[11] The relevant portions of the Act are sections 4(1), 4(2), 45(1) and 45(2). Section 4 provides:

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.

(2) A trade-mark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.
[...]

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.

(2) Une marque de commerce est réputée employée en liaison avec des services si elle est employée ou montrée dans l'exécution ou l'annonce de ces services. [...]

[12] Section 45 goes on to provide that the Registrar may, and on written request must, save good reason to the contrary, require the registered owner of a trade-mark to furnish an affidavit or statutory declaration “showing” whether the trade-mark was in use in Canada at any time during the previous three years. *Viva voce* evidence is not permitted, but the Registrar may hear representations.

[13] Section 45 provides a summary procedure to expeditiously clear the Register of “dead wood”. See for instance *Re Wolfville Holland Bakery Ltd.* (1965), 42 C.P.R. 88 and *Aerosol Fillers Inc. v. Plough Canada (Ltd.)* (1980), 45 C.P.R. (2nd) 194. The registered owner cannot merely assert use; it must “show” use. Some evidence is required which, if not contradicted, would carry the day.

[14] Turning now to the individual wares and services in dispute, the Registrar concluded there was no evidence before her that posters were used in Canada. However, Ms. Moore has now provided evidence that, within the relevant period, Jo Dee Messina released a CD in Canada entitled *Delicious Surprise* and that the CD was sold together with a poster.

[15] With respect to entertainment services provided by pre-recorded music, again the Registrar was not satisfied of use in Canada. The new evidence from Ms. Moore is that from a computer situated in Canada, one could access www.curb.com and listen to pre-recorded music and view videos. Although trans-border websites can create interesting problems, for the purposes of what is

before me, Mr. Curb, through his company with whom he had an agreement, provided a service listened to in Canada. That is sufficient.

[16] As regards entertainment services provided by live music in Canada, the evidence before the Registrar related to a concert by Lisa Brokop. However that concert was outside the relevant period. The new evidence establishes, to my satisfaction, that Ms. Brokop also gave another concert in Canada within the relevant period.

[17] The Registrar was also of the view that there was no evidence that any production, publishing and distribution of audio and audio-visual recordings was done in Canada. Before her was a very small portion of a Distribution Agreement between Curb Records and EMI Music Canada. More of that contract has been put before me, which demonstrates Mr. Curb's control over production, publishing and distribution. Furthermore, Curb Records produced Lisa Brokop's music video "*Wildflower*" in Vancouver during the relevant period. This was one of the songs from a CD released in Canada in January 2005. Curb Records hired the company which filmed the video and approved all aspects of production, having ultimate control over the music video eventually produced. This evidence is sufficient.

[18] However, when it comes to t-shirts and caps, both before the Registrar and before the Court, Ms. Moore's evidence is as follows:

In respect of the clothing items, my company or its licensed distributors over the years, including the three years prior to the date of the Section 45 notice, namely November 4, 2005 have sold **and/or** distributed t-shirts and caps bearing the CURB or CURB RECORDS

mark in the United States **and/or** Canada. Now shown to me and attached as exhibit "G" are photographs of caps and t-shirts bearing the CURB or CURB RECORDS mark which would have been sold **and/or** distributed in the United States **and/or** Canada.
[The Registrar's emphasis]

[19] In appeal, the argument focused on whether there had to be a sale, as opposed to a distribution by other means in the normal course of business in order to satisfy section 4 of the Act. However, the preliminary question is whether there was any distribution at all within Canada. The Registrar found that there was no such evidence. Ms. Moore's affidavit can certainly be read that way, without even resorting to the proposition that any ambiguity in an affidavit should be construed against the affiant. Her decision was reasonable.

[20] I have been asked to infer on the basis of the evidence taken as whole, particularly since it has been established that Lisa Brokop performed a concert in Canada, that such paraphernalia as t-shirts and caps would have been commercially available for distribution by sale or otherwise. Even if I were to consider the matter *de novo* I would come to the same conclusion as did the Registrar. Ms. Moore does not show that these items were available in Canada. A conclusion that they were would be an exercise in speculation rather than a proper inference from proven facts.

[21] If these items were imported into Canada, and then re-exported, there should be information available from Mr. Curb's Customs broker. If these items were sold, there should be accounting records, particularly when it comes to the Goods and Services Tax. There is simply no evidence that t-shirts and caps were available for distribution in Canada.

ORDER

THIS COURT ORDERS that:

1. The appeal is granted in part.
2. The Registrar's decision of 27 March 2008 is set aside.
3. The Registrar is ordered to maintain Canadian Trade-Mark Registration Number TMA521,953 for Curb Records with the original list of wares and services save that, under Wares, "clothing, namely, t-shirts and caps" is deleted therefrom.
4. There be no costs.

"Sean Harrington"

Judge

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-861-08

STYLE OF CAUSE: Michael Curb v. Smart & Biggar

PLACE OF HEARING: Toronto, Ontario

DATE OF HEARING: January 16, 2009

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

DATED: January 20, 2009

APPEARANCES:

Christine M. Pallota

FOR THE APPLICANT

No one appeared

FOR THE RESPONDENT

SOLICITORS OF RECORD:

Bereskin & Parr
Barristers & Solicitors
Toronto, Ontario

FOR THE APPLICANT