Material Relating to Section 45 of the Canadian *Trademarks Act*
45.

45(1) Registrar may request evidence of user

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.

Proposed Amendment — 45(1)

45(1) Registrar may request evidence of use

After three years beginning on the day on which a trademark is registered, unless the Registrar sees good reason to the contrary, the Registrar shall, at the written request of any person who pays the prescribed fee — or may, on his or her own initiative — give notice to the registered owner of the trademark requiring the registered owner to furnish within three months an affidavit or a statutory declaration showing, with respect to all the goods or services specified in the registration or to those that may be specified in the notice, whether the trademark 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.

2014, c. 20, s. 349 [Not in force at date of publication.]

45(2) Form of evidence

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.

Proposed Amendment — 45(2)

45(2) Form of evidence

The Registrar shall not receive any evidence other than the affidavit or statutory declaration, but may receive representations made in the prescribed manner and within the prescribed time by the registered owner of the trademark or by the person at whose request the notice was given.

2014, c. 20, s. 349 [Not in force at date of publication.]

Proposed Addition — 45(2.1), (2.2)

45(2.1) Service

The registered owner of the trademark shall, in the prescribed manner and within the prescribed time, serve on the person at whose request the notice was given any evidence that the registered owner submits to the Registrar. Those parties shall, in the prescribed manner and within the prescribed time, serve on each other any written representations that they submit to the Registrar.
45(2.2) **Failure to serve**
The Registrar is not required to consider any evidence or written representations that was not served in accordance with subsection (2.1).

2014, c. 20, s. 349 [Not in force at date of publication.]

45(3) **Effect of non-use**
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 amended accordingly.

Proposed Amendment — 45(3)

45(3) **Effect of non-use**
Where, by reason of the evidence furnished to the Registrar or the failure to furnish any evidence, it appears to the Registrar that a trademark, either with respect to all of the goods or services specified in the registration or with respect to any of those goods 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 trademark is liable to be expunged or amended accordingly.

2014, c. 20, ss. 360, 361 [Not in force at date of publication.]

45(4) **Notice to owner**
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.

Proposed Amendment — 45(4)

45(4) **Notice to owner**
When the Registrar reaches a decision whether or not the registration of a trademark ought to be expunged or amended, he shall give notice of his decision with the reasons therefor to the registered owner of the trademark and to the person at whose request the notice referred to in subsection (1) was given.

2014, c. 20, s. 361 [Not in force at date of publication.]

45(5) **Action by Registrar**
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.

1993, c. 44, s. 232; 1994, c. 47, s. 200

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Practice in Section 45 Proceedings

In effect as of September 14, 2009

This practice notice is intended to provide guidance on the Canadian Intellectual Property Office’s practice and interpretation of relevant legislation. However, in the event of any inconsistency between this notice and the applicable legislation, the legislation must be followed. The provisions of this practice notice are general guidelines only, are not binding in any particular case and are subject to change.

This practice notice replaces the practice notice entitled (Practice Notice: Section 45 Proceedings) published in the Trademarks Journal on December 21, 2005.

Proceedings under s. 45 of the Trade-marks Act R.S.C. 1985, c. T-13 (the "Act") are summary and administrative in nature. The decision of the Registrar of Trademarks (the "Registrar") in proceedings under s. 45 of the Act ("section 45 proceedings") does not determine substantive rights in a trademark [Philip Morris Inc. v. Imperial Tobacco Ltd. (1987), 13 C.P.R. (3d) 289 at 293 (F.C.T.D.)]. Section 45 proceedings are not intended to replace inter partes expungement proceedings under s. 57 of the Act where issues such as ownership, distinctiveness or abandonment of a registered trademark may be raised before the Federal Court of Canada.

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I Correspondence

Correspondence addressed to the Registrar must follow Rules 3 through 7 of the Trade-marks Regulations, SOR/96-195 (the "Regulations") and the practice notice, Updated Correspondence Procedures. Specifically, in accordance with Rule 7(2) of the Regulations all correspondence must identify:

a. the trademark;
b. the trademark application number; and
c. the trademark registration number.

Correspondence relating to section 45 proceedings should only relate to section 45 proceedings, and be clearly marked "ATTENTION: SECTION 45 PROCEEDINGS".

After the Registrar has forwarded a notice to the registered owner of the trademark under s. 45(1) of the Act ("Section 45 Notice"), a party corresponding with the Registrar must:

a. send a copy of all correspondence to the other party in the section 45 proceeding; and
b. confirm in all correspondence addressed to the Registrar that a complete copy has also been sent to the other party in the section 45 proceeding.

II Section 45 Notice

II.1 Trademark on the Register More than Three years

Any person ("requesting party") may file a written request asking the Registrar to forward a Section 45 Notice to the registered owner of a trademark that has been registered for a period of three or more years. The requesting party is not required to send a copy of its request to the registered owner of the trademark.

The Registrar does not have the authority to issue a notice restricted to certain specified wares/services unless the circumstances fall into II.1.2 below.

II.1.1 Required Fee

A request for the issuance of a Section 45 Notice must be accompanied by payment in full of the prescribed fee as required by s. 45(1) of the Act, Rule 12 of the Regulations and Item 8 of the Tariff of Fees. The Registrar is without authority to accept a request for the issuance of a Section 45 Notice if the request is not accompanied by payment in full of the prescribed fee. The Registrar is also without authority to issue refunds to a requesting party if the Registrar determines not to issue a Section 45 Notice.
II.1.2 Amended Statement of wares/services

Where a registration has been amended to extend the statement of wares/services under s. 41 of the Act, the Registrar considers that the three year period for such wares/services applies from the date of registration of the amendment. In that regard, reference may be made to s. 41(2) of the Act, which provides that an application to extend the statement of wares/services in respect of which a trademark is registered has the effect of an application for registration of a trademark in respect of the wares/services specified in the application for amendment. Accordingly, the Registrar will generally refuse to issue a Section 45 Notice in respect of wares/services that have only been listed in a registration for less than three years.

II.1.3 Good Reasons Not to Issue the Notice

Upon receipt of a written request under s. 45 made after three years from the date of registration as detailed under II.1 above, the Registrar will issue a Section 45 Notice, unless the Registrar sees good reason to the contrary [Molson Companies Ltd. v. John Labatt Ltd. et al.(1984), 1 C.P.R. (3d) 329 at 333 (F.C.T.D.)]. The Registrar determines whether there are good reasons not to issue a Section 45 Notice on a case-by-case basis. Following are examples of what could be considered good reasons to the contrary for not issuing a Section 45 Notice, depending on the facts of the particular case:

a. The trademark registration is already the subject of a section 45 proceeding pending before the Registrar or on appeal before the Federal Court of Canada.
b. The request is within three years of the date of issuance of a previous section 45 notice in cases in which the proceedings led to a final decision under section 45 of the Act.
c. The Registrar considers that the request is frivolous or vexatious.

II.2 Trademark on the Register Less than Three Years

Without having received a request from a third party, the Registrar may issue a Section 45 Notice at any time. However, the Registrar considers that in order to ensure compliance with Article 19 of the Agreement on Trade-Related Aspects of Intellectual Property Rights ("TRIPS Agreement"), no such notice should be issued prior to three years after the date of registration. Accordingly, the Registrar will generally not issue a Section 45 Notice in situations where a trademark has been on the Register for less than three years.

II.3 Issuance of the Section 45 Notice

If the Registrar decides to issue the Section 45 Notice, it will be sent to the registered owner of the trademark (s. 45 of the Act):

1. **If the registered owner has an office or place of business in Canada**: At the address of the registered owner's office or place of business in Canada, as recorded in the trademark register, with a copy to the requesting party. As a courtesy, the Registrar will also send a copy of the Section 45 Notice to the registered owner's recorded representative for service in Canada.
2. **If the registered owner has no office or place of business in Canada**: At the address of the registered owner's representative for service in Canada (s. 30(g) of the Act). As a courtesy, the Registrar will also send a copy of the Section 45 Notice to the registered owner at the address of the registered owner's office or place of business as recorded in the trademark register, with a copy to the requesting party.

The Registrar is not responsible for any correspondence not received by the registered owner or its representative for service, including the Section 45 Notice in cases where the Registrar has not been notified of a change of address. (Rule 6(2) of the Regulations). However, if the registered owner has no office or place of business in Canada and mail sent to the registered owner's representative for service
is returned to the Registrar as undelivered, the Registrar will send to the registered owner the notice required under Section 42 of the Act.

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**III Evidence**

It is the registered owner's responsibility to furnish evidence within **three months** from the date of the Section 45 Notice. The evidence should demonstrate:

- use of the registered trademark in Canada at any time during the three year period immediately preceding the date of the Section 45 Notice (the "relevant period") with respect to each of the wares/services specified in the registration; and/or
- the date when the registered trademark was last used in Canada and the reason(s) for the absence of use since that date.

Evidence filed with the Registrar in respect of section 45 proceedings may **not** be transmitted by facsimile (Rule 3(9) of the Regulations).

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**III.1 Registrant's Failure to File Evidence**

If the registered owner does not file any evidence in response to the Section 45 Notice, the trademark is liable to be expunged and the Registrar will issue a final decision expunging the trademark registration in accordance with s. 45(3) of the Act (see below at **IX Decision**).

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**III.2 Evidence of Use of the Registered Trademark**

The evidence filed in response to the Section 45 Notice must be in the form of an affidavit or statutory declaration. More than one affidavit or statutory declaration may be filed on behalf of the registered owner, regardless of whether the affidavit or statutory declaration is signed by the registered owner [*Canada (Registrar of Trademarks) v. Harris Knitting Mills Ltd.* (1985), 4 C.P.R. (3d) 488 at 494 (F.C.A.)].

The evidence must **show** use of the trademark by the registered owner or an assignee entitled to be recorded as registered owner [*Star-Kist Foods Inc. v. Canada (Registrar of Trademarks)* (1988), 20 C.P.R. (3d) 46 at 52 (F.C.A.)], licensed use of the trademark pursuant to s. 50 of the Act, or licensed use of a certification mark pursuant to s. 23(2) of the Act.

Although the type of evidence necessary to show use varies from case to case [*Union Electric Supply Co. Ltd. v. Registrar of Trademarks* (1982), 63 C.P.R. (2d) 56 at 60 (F.C.T.D.)], the use of the trademark must be in compliance with s. 4 of the Act and must be shown with respect to each of the wares/services listed in the registration [s. 45(1) of the Act]. The affidavit or statutory declaration must contain sufficient facts to support a conclusion that the trademark has been used in Canada, as opposed to containing bare assertions of use, which have been held to be insufficient to maintain a trademark registration under s. 45 of the Act [*Plough (Canada) Ltd. v. Aerosol Fillers Inc.* (1980), 53 C.P.R. (2d) 62 at 65-6 (F.C.A.)]. The evidence should be forthcoming in quality, not quantity [*Phillip Morris Inc. v. Imperial Tobacco Ltd., supra*, at 294].

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**III.3 Evidence of Special Circumstances Excusing Non-Use**

In cases where the trademark was not in use at any time during the relevant period, the affidavit or statutory declaration should indicate the date the trademark was last in use and the reason(s) for the absence of use since that date.

In order for the registration **not** to be expunged, the Registrar must be satisfied that there were "special circumstances" excusing the absence of use during the relevant period. The Registrar will
consider all three of the following criteria in determining whether the evidence demonstrates special circumstances excusing the absence of use of the trademark in Canada:

a. the length of time during which the trademark has not been used;
b. whether the reasons for the absence of use were due to circumstances beyond the control of the owner; and

c. whether there exists a serious intention to resume use of the trademark shortly.

[Canada (Registrar of Trade Marks) v. Harris Knitting Mills Ltd., supra, at 493; Smart & Biggar v. Scott Paper Limited (2008), 65 C.P.R. (4th) 303 at 308 (F.C.A.)]

IV Extensions of Time for Filing Evidence

IV.1 Benchmark for Extensions of Time

Section 47 of the Act is discretionary, allowing the Registrar to grant an extension of time for the registered owner to file evidence in response to the Section 45 Notice if the Registrar is satisfied that the facts justify the need for an extension of time [Sandhu Singh Hamdard Trust v. Canada (Registrar of Trademarks) (2007), 62 C.P.R. (4th) 245 at 252-3 (F.C.A.), affirming 47 C.P.R. (4th) 373 (F.C.T.D.)]. However, in order to respect the legislative intent of s. 45 of the Act, to be an efficient and summary procedure aimed at removing Trademarks that are clearly not in use in Canada, the Registrar will generally only consider one request for an extension of time up to a maximum benchmark of four months with sufficient reason(s) for the registered owner to file evidence in response to a Section 45 Notice. A request for such an extension of time must:

- be accompanied by the prescribed fee as required by Rule 12 of the Regulations and Item 9 of the Tariff of Fees; and
- contain sufficient reasons to satisfy the Registrar that the circumstances justify an extension of time.

There is no authority for the Registrar to accept a request for an extension of time pursuant to s. 47(1) of the Act if the request is not accompanied by payment in full of the prescribed fee. A request for an extension of time filed without payment in full of the prescribed fee will not be treated and the requestor will be so advised.

IV.2 Extensions of Time Beyond the Benchmark

The Registrar will not generally grant an extension of time beyond the maximum benchmark of four months for a registered owner to file its evidence in response to the Section 45 notice. The Registrar will only grant an extension of time beyond the maximum benchmark of four months on a case-by-case basis and only if the Registrar determines, on the facts of the particular case, that the circumstances justify a further extension of time. In particular, the Registrar will not grant an extension of time beyond the maximum benchmark of four months on the basis that the parties consent or are pursuing settlement negotiations since the purpose of s. 45 of the Act is to have an expedient statutory mechanism to clear the Register of Trademarks not in use.

In determining whether to grant a further extension of time beyond the maximum benchmark of four months, the Registrar will also have regard to the decision Anheuser-Busch Inc. v. Carling O'Keefe Breweries of Canada Ltd. (1982), 69 C.P.R. (2d) 136 at 143 (F.C.A.), which held that the Registrar has no authority to stay section 45 proceedings.

Following are examples of what the Registrar may consider a circumstance justifying a further extension of the time within which to file evidence in response to a Section 45 Notice, depending upon the facts of the particular case:
IV.2.1 Recent Change of a Party's Instructing Principal or Trademark Agent

If there has been a very recent change in the party's instructing principal or trademark agent, the Registrar may grant an extension of time allowing a reasonable period of time to enable a new trademark agent or instructing principal to become familiar with the file.

IV.2.2 Circumstances Beyond the Control of the Person Concerned

Examples of factors that could amount to circumstances beyond the control of the person concerned include illness, accident, death, bankruptcy or other serious and unforeseen circumstances.

IV.2.3 Assignment of the Registration

If there has been a recent assignment of the registration that is the subject of the section 45 proceeding, the Registrar may grant an extension of time allowing a reasonable period of time to enable a new trademark owner to become familiar with the file.

IV.2.4 Cancellation of the Registration

An application to voluntarily cancel the registration that is the subject of the section 45 proceeding has been filed with the Registrar pursuant to s. 41(1)(b) of the Act.

IV.2.5 Amendment of the Registration

An application to amend the statement of wares/services of the registration that is the subject of the section 45 proceeding has been filed with the Registrar pursuant to s. 41(1)(c) of the Act.

IV.3 Retroactive Extensions of Time for Filing Evidence

The Registrar will generally not grant a request for a retroactive extension of time pursuant to s. 47(2) of the Act for filing additional evidence after the requesting party has filed its written representations.

Pursuant to s. 47(2) of the Act, a request for a retroactive extension of time of the deadline within which to file evidence in reply to a Section 45 Notice must be:

- accompanied by the prescribed fee as required by Rule 12 of the Regulations and Item 9 of the Tariff of Fees; and
- supported by sufficient facts for the Registrar to determine that the failure to file the evidence within the time limit was not reasonably avoidable [Kitchen Craft Connection Ltd. v. Canada (Registrar of Trademarks) (1991), 36 C.P.R. (3d) 442 at 444 (F.C.T.D.)].

The Registrar is without authority to accept a request for a retroactive extension of time pursuant to s. 47(2) of the Act if the request is not accompanied by payment in full of the prescribed fee. Requests for extensions of time filed without payment in full of the prescribed fee will not be treated and the requestor will be so advised.

The Registrar considers that there is no authority to grant a retroactive extension of time under s. 47 (2) after the Registrar has reached the final decision under s. 45 (3) of the Act [Re Wolfville Holland Bakery Ltd. (1964), 42 C.P.R. 88 at 91 (Ex. Ct.) Ford Motor Co. of Canada Ltd. v. Registrar of Trade Marks (1977), 36 C.P.R. (2d) 135 at 137 (F.C.T.D.)].
V Cross-Examination

The Registrar is without authority to order cross-examination on an affidavit or statutory declaration filed as evidence in section 45 proceedings [Burke-Robertson v. Carhartt Canada Ltd. (1994), 56 C.P.R. (3d) 353 at 355 (F.C.T.D.)].

VI Written Representations

The Registrar may hear representations made by or on behalf of the registered owner of the trademark or by or on behalf of the requesting party in accordance with s. 45(2) of the Act.

VI.1 Requesting Party

The Registrar will send a notice granting the requesting party an administrative deadline of four months from the date of that notice to file written representations or to notify the Registrar that no written representations will be filed.

VI.2 Registered Owner

Once the deadline for filing the requesting party’s written representations has expired or the Registrar has received the requesting party’s response to the Registrar’s notice, whichever is earlier, the Registrar will send another notice granting the registered owner an administrative deadline of four months from the date of that notice to file its written representations or to notify the Registrar that no written representations will be filed.

VI.3 Extension of Time for Filing Written Representations

The deadline for filing written representations is an administrative deadline fixed by the Registrar and accordingly the provisions of s. 47 of the Act do not apply. Given the summary nature of section 45 proceedings, the Registrar will not grant requests to extend the administrative deadline for filing written representations. In particular, the Registrar will not extend the administrative deadline for the filing of written representations on the basis that the parties consent or are pursuing settlement negotiations.

Written representations are not required in section 45 proceedings and if neither party files written representations within the respective administrative deadlines as detailed above, the Registrar will proceed in due course and as soon as administratively possible to issue the final decision (see below at IX Decision), unless one or both of the parties request to be heard at a hearing.

VII Hearings

Hearings are not required in section 45 proceedings and if neither party files a request to be heard, the Registrar will proceed in due course and as soon as administratively possible to issue the final decision (see below at IX Decision).

VII.1 Request to be Heard

If a party would like to be heard and participate at a hearing, that party must give the Registrar written notice of its request to be heard within one month following the final deadline for the submission of the registered owner’s written representations. Each party’s letter requesting to be heard must specify whether:
a. the party will make representations in person or by telephone;
b. the party will make representations in English or French; and
c. simultaneous translation will be required if the other party makes representations in the other official language.

The Registrar will not grant requests to extend the administrative deadline for requesting to be heard and participate at a hearing.

VII.2 Scheduling of Hearings

Once the file is ready to be scheduled for a hearing, the Registrar will issue a notice to the parties setting out the time, date, location of the hearing, the official languages in which representations will be made and whether simultaneous translation will be provided in accordance with the information provided by the parties in their request to be heard, as detailed above under VII.1. If the parties have not furnished the specific information required by the Registrar as detailed above under VII.1, the Registrar will schedule the hearing to be heard by both parties in person, with representations to be made by the registered owner in the official language in which the evidence was written and representations to be made by the requesting party in the official language in which the request for issuance of the Section 45 Notice was written, with no arrangements for simultaneous translation.

The Registrar will generally issue notices advising parties of scheduled hearing dates on a quarterly basis with no less than 90 days notice of the hearing date. The parties will have one month from the date of the Registrar's notice within which to confirm their attendance at the scheduled hearing. In cases where the party or parties who had requested to be heard are not available on the specific scheduled hearing date and the parties consent to having the hearing rescheduled, the Registrar will make arrangements to reschedule the hearing date, as soon as administratively possible. However, cases will generally only be rescheduled once.

VII.3 Changes to the Scheduled Hearing

If a party who has requested to be heard wishes to make any changes with respect to his/her appearance at a scheduled hearing, including a request for simultaneous translation, a decision not to appear, to make representations by telephone instead of appearing in person, or to appear in person rather than make representations by telephone, then the party is required, as soon as possible and no less than three weeks prior to the scheduled hearing date to:

- telephone the Registrar and advise the Registrar of the changes with respect to his/her appearance (please contact the Registrar at 819-997-7300 or 1-866-997-1936 and ask to be transferred to the Trademarks Opposition Board and request to speak to the clerk responsible for the scheduling of hearings) and
- send written confirmation of the changes with respect to his/her appearance by facsimile. No changes with respect to a hearing will be made until such time as written confirmation is received.

VII.4 Simultaneous Translation

The Registrar will arrange for French and English interpreters (simultaneous translation) needed at the hearing. Parties are entitled to use either English or French at the hearing but must indicate their preference in the request to be heard, as detailed above in VII.1. The Registrar will provide simultaneous interpretation (simultaneous translation) in both the English and French language, provided that the Registrar has at least three weeks notice in advance of the scheduled hearing date.
VII.5 Postponement of Hearing

The Registrar will not grant postponements of scheduled hearings. In particular, the Registrar will not grant a postponement of a hearing on the basis of consent between the parties and/or on the basis of settlement negotiations. If the parties agree that they no longer wish to be heard, after the section 45 proceeding has already been scheduled to be heard, the Registrar will proceed, in due course, to issue the final decision under s. 45 of the Act. In general, the Registrar will not hold decisions in abeyance or agree not to issue a decision based on consent of the parties and/or pending settlement negotiations.

VII.6 Cancellation of Hearing

If a hearing has been scheduled and the party or parties who requested the hearing determine that the hearing is no longer required, the party or parties must advise the Registrar as soon as possible by telephone and send written confirmation of the request for cancellation. If both parties requested a hearing, it will only be cancelled if both parties consent to the cancellation. A hearing will not be cancelled until such time as the Registrar receives the party or parties' written confirmation of the request for cancellation. Parties may reach the Registrar by telephone by calling:

- the Canadian Intellectual Property Office at 1-866-997-1936 and request that your call be transferred to the Trademarks Opposition Board (TMOB) and then request to speak to the clerk responsible for the scheduling of hearings; or
- TMOB directly at 819-997-7300 and request to speak to the clerk responsible for the scheduling of hearings.

If a hearing is cancelled, the Registrar will proceed to issue a decision in due course, except in cases where the section 45 proceeding has been discontinued on consent or the registration has been voluntarily abandoned.

VII.7 Jurisprudence

Parties are required to provide one another and the Registrar by facsimile at least five working days prior to the hearing date with:

1. their list of case law; and
2. copies of any unreported decisions to be relied upon at the hearing.

Parties are not required to file books of authorities and they do not need to be filed five working days in advance. If a party wishes the Hearing Officer to have copies of any case law to refer to at the hearing, the party may bring copies to the hearing.

VIII Discontinuance of Section 45 Proceedings

The Registrar may discontinue the proceedings upon receipt of a request signed by or on behalf of both parties.

If the requesting party does not file written representations or a request to be heard at a hearing, the Registrar may issue a notice requesting that the parties confirm whether they wish to discontinue the proceedings on consent.

IX Decision

The Registrar will render a final decision in writing, in accordance with s. 45(3) of the Act to maintain, amend or expunge the registration. The decision will be sent to both the registered owner and the requesting party in accordance with s. 45(4) of the Act.
Pursuant to s. 45(5) of the Act, the Registrar shall act in accordance with the decision as soon as administratively possible if no appeal is initiated under s. 56 of the Act or if an appeal is initiated, the Registrar will act in accordance with the final judgement given in appeal, as the case may be (see below at XAppeals).

X Appeals

The decision of the Registrar to maintain, expunge or amend the registration may be appealed to the Federal Court of Canada (s. 56 of the Act). Appeals must be filed in accordance with the Federal Courts Act and the Federal Courts Rules and filed with the Registrar in accordance with s. 56(2) of the Act. See the practice notice Service of Documents on the Registrar of Trademarks for further information.

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Canadian Intellectual Property Law and Strategy

*Trademarks, Copyright, and Industrial Designs*

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John S. McKeown

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CHAPTER 10

Expungement

§ 10.01 Section 45 Proceedings
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§ 10.01 Section 45 Proceedings

   [1] Summary Procedure

   The purpose of section 45 of the Trade-marks Act is to provide a summary procedure\textsuperscript{1} for trimming the register of "dead wood."\textsuperscript{2} Frequently, proceedings under the section will be instituted by third parties who are prevented from obtaining a registration for a desired mark by a registration which is perceived not to be in use.


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The section provides that the Registrar, at any time and at the written request made after three years from the date of the registration of a trademark 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 trademark requiring the registered owner to furnish within three months an affidavit or statutory declaration showing with respect to each of the wares or services specified in the registration, whether the trademark 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 such date.  

The Registrar may, in his discretion, issue a notice pursuant to the section at any time. However, under the current practice, the Registrar considers that in order to ensure compliance with Article 19 of the TRIPS Agreement no notice should be issued prior to three years after the date of registration.

There is no prescribed form for the “written request.” It can be made by any person as there is no requirement for standing. Frequently, proceedings are instituted by law firms on behalf of clients.

The Registrar should not attempt to resolve any question other than whether the registration is in use. The procedure under the section is not intended to create or rescind substantive rights. For example, difficult questions of interpretation concerning the wares of the registration will not be considered. Requesting that notice be given under the section should not be seen as an alternative to initiating proceedings in the Federal Court seeking expungement.

The requesting party cannot file evidence or conduct a cross examination on the affidavit or statutory declaration of the registered owner. The requesting party is limited to filing written argument and taking part in an

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4 See Practice in Section 45 Proceedings, supra, part II.2.


oral hearing to argue that the registration should be expunged or amended.

[2] Evidence

The registered owner has three months\(^{10}\) within which to furnish an affidavit or statutory declaration showing, with respect to each of the wares or services specified in the registration, whether the trademark 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.\(^{11}\)

Section 45 requires an affidavit or statutory declaration not merely stating but “showing” sufficient facts to demonstrate trademark use\(^{12}\) within the meaning of the definition of a “trade mark” in section 2 and of “use” in section 4 of the Act.\(^{13}\) Multiple affidavits can be filed including affidavits sworn by third parties.\(^{14}\)

The evidence filed must show the use of the registered trademark in issue not a variant of the mark.\(^{15}\) However, cautious variations may be accepted as use of the registered mark without adverse consequences if the same dominant features are maintained and the differences are so unimportant that an unaware purchaser of the wares would not be mislead.\(^{16}\)

The evidence must also describe the nature of the business and the normal

\(^{10}\) An extension of time may be sought, see See Practice in Section 45 Proceedings, supra, part IV.


\(^{13}\) See Chapter 5.


course of trade of the owner of the trademark. The Registrar cannot make assumptions or be expected to know the nature of the registrant’s business and its practices.

The majority of cases have found that evidence of a single sale, whether wholesale or retail, in the normal course of trade, can satisfy the requirements of the section, so long as the sale follows the pattern of a genuine commercial transaction and is not seen as being deliberately manufactured or contrived to protect the registration of the trademark in issue. In addition, the provision of samples can in some circumstances be considered use in the normal course of trade.

Use by a licensee may be sufficient if the requirements of the Act relating to licensing are satisfied. Control for the purpose of section 50 of the Act dealing with a licensed mark will not be inferred and must be expressly referred to.

It is not necessary to provide an over-abundance of evidence of use of the mark. Inferences can be drawn from the evidence as a whole. A registrant must carefully consider what is required to satisfy the requirements of the

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Ridout & Maybee LLP v. NCH Corp (2013), 110 C.P.R. (4th) 72 (T.M.O.B.) corporate control and a copyright notice was not sufficient.
section. A bald assertion of use is not sufficient and an affidavit must disclose sufficient facts so as to demonstrate trademark use during the three-year period immediately preceding the date of the notice. However, it is well-established that the evidence as a whole must be considered.\textsuperscript{24}

Because the evidence is not subject to cross-examination, at the hearing, the Registrar is under a duty to ensure that reliable evidence has been presented.\textsuperscript{25} If an affidavit or declaration is ambiguous, an interpretation adverse to the registrant should be adopted.\textsuperscript{26} The use must be “in a normal course of trade” as opposed to a fictitious or colorable use.\textsuperscript{27} Evidence from individuals who operate a business may be accepted despite the fact that the evidence is hearsay if it is reliable and necessary.\textsuperscript{28}

Where the evidence shows the trademark is being used only in respect to some of the wares or services specified in the registration, the registration should be amended and not expunged.\textsuperscript{29}

[3] Effect of Non-Use

Where by reason of the evidence furnished or the failure to furnish such evidence, it appears to the Registrar that the trademark, either with respect to all of the wares or services specified in the registration, or with respect to any of the wares or services, was not in use in Canada, and that the absence of use has not been due to special circumstances that excuse the absence of use, the registration of the trademark is liable to be expunged or amended

\textsuperscript{24} Kvas Miller Everitt v. Compute (Bridgend) Ltd. (2005), 47 C.P.R. (4th) 209 (T.M.O.B.).


\textsuperscript{29} John Labatt Ltd. v. Rainier Brewing Co. (1984), 80 C.P.R. (2d) 228 (F.C.A.), reversing (1982) 68 C.P.R. (2d) 266 (F.C.T.D.); but see Ridout & Maybee LLP v. Omega SA. 2004 FC 1703 (FC) where use of certain wares was sufficient evidence of use of an entire category of wares on a plain reading of the registration.
accordingly.\textsuperscript{30} The onus is on the registered owner to establish that there are special circumstances justifying non-use.

It has been said that it is impossible to state precisely what circumstances will excuse the absence of use of a trademark. The duration of the absence of use and the likelihood it will last a prolonged period are important factors. However, circumstances may excuse the absence of use for a brief period of time without excusing a prolonged absence of use. It is also essential to know to what extent the absence of use relates solely to a deliberate decision on the part of the owner of the trademark rather than to obstacles beyond the control of the owner. It will be more difficult to justify absence of use due solely to a deliberate decision by the owner of the trademark.\textsuperscript{31}

It is stated in the current practice direction\textsuperscript{32} that in cases where the trademark was not in use at any time during the relevant period, the affidavit or statutory declaration should indicate the date the trademark was last in use and the reason(s) for the absence of use since that date.\textsuperscript{33}

To avoid expungment, the Registrar must be satisfied that there were "special circumstances" excusing the absence of use during the relevant period. The Registrar will consider all three of the following criteria in determining whether the evidence demonstrates special circumstances excusing the absence of use of the trademark in Canada:

a) the length of time during which the trademark has not been used;

b) whether the reasons for the absence of use were due to circum-

\textsuperscript{30} Subsection 45(3) and see Practice in Section 45 Proceedings, \textit{supra}, part III.3.


\textsuperscript{32} See Practice Direction in Section 45 Proceedings, \textit{supra}, part V.2.2.

\textsuperscript{33} If the evidence does not specify the date of last use the Registrar will assume the date of last use was the date of registration or, if the mark was subject to assignment, the date of the assignment may be used. \textit{GPS (U.K.) Ltd v. Rainbow Jean Co.} (1994), 58 C.P.R. (3d) 535 (T.M.O.B.).
stances beyond the control of the owner;\textsuperscript{34} and

\textbf{c) whether there exists a serious intention to resume use of the trade-mark shortly.\textsuperscript{35}}

\textbf{[4] The Hearing}

A Hearing Officer authorized by the Registrar\textsuperscript{36} will hear representations made by or on behalf of the registered owner of the trademark and by or on behalf of the person who has requested that notice be given. The Registrar will generally invite the parties to file written submissions and an oral hearing may be requested.\textsuperscript{37}

When the Registrar reaches a decision as to whether the registration of the trademark should be expunged or amended, notice of the decision together with written reasons must be given to the registered owner and to the person at whose request the notice was given.\textsuperscript{38}

The decision must relate only to whether the evidence supplied or the failure to supply evidence shows the mark was in use or the absence of use was due to special circumstances and finally determines nothing else.\textsuperscript{39} The doctrine of \textit{res judicata} does not apply to the decision.\textsuperscript{40}

The Registrar must act in accordance with the decision if no appeal is initiated within the time limited by the \textit{Act} or, if an appeal is taken, must act in accordance with the final judgment given in the appeal.\textsuperscript{41}

\textbf{[5] Appeal}

A lpe may be made to the Federal Court from the Registrar 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

\textsuperscript{34} See \textit{Przedsiębiorstwo Pokmos Białystok Spółka Akcyjna v. Underberg AG} (2013), 114 C.P.R. (4th) 67 (T.M.O.B.) concerning compliance with Canadian food standards.


\textsuperscript{36} Subsection 63(3).

\textsuperscript{37} See Practice in Section 45 Proceedings, \textit{supra}, parts VI and VII.

\textsuperscript{38} Subsection 45(4).


\textsuperscript{40} \textit{Molson Cos. Ltd. v. Halter} (1976), 28 C.P.R. (2d) 158 (F.C.T.D.).

\textsuperscript{41} Subsection 45(5).
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before or after the expiration of the two months.\textsuperscript{42} On an appeal, evidence in addition to that which was before the Registrar may be adduced\textsuperscript{43} and the Court may exercise any discretion vested in the Registrar.\textsuperscript{44}

Due to the nature of section 45 only the registered owner may adduce additional evidence\textsuperscript{45} but the requesting party is entitled to cross-examine on new affidavits filed on the appeal.\textsuperscript{46} The judgment of the Federal Court on the appeal is filed with the Registrar.\textsuperscript{47}

§ 10.02 Expungement by the Federal Court

[1] Jurisdiction

The Federal Court has exclusive original jurisdiction, on the application of any person interested, to order that any entry in the register be struck out or amended on the ground that at the date of the application the entry as it appears on the register does not accurately express or define the existing rights of the person appearing to be the registered owner of the mark.\textsuperscript{48} An application for expungement is not an appeal under section 56 of the Act for which a standard of review should be identified. It is the exercise of original jurisdiction.\textsuperscript{49}

In matters concerning the register the Court must consider the “purity of

\textsuperscript{42} Subsection 56(1).

\textsuperscript{43} Subsection 56(5) and see \textit{Austin Nichols \& Co. v. Cinnabon Inc.} (1998), 82 C.P.R. (3d) 513 (F.C.A.); \textit{Baxter International Inc. v. P.T. Kalbe Frama TBK}, 2007 FC 439 (F.C.); \textit{Les Sols R. Isabelle Inc. v. Stikeman Elliot LLP} (2011), 92 C.P.R. (4th) 83 (F.C.) even if no evidence was presented to the Registrar.


\textsuperscript{47} Section 61.

\textsuperscript{48} Subsection 57(1) and see section 20 of the \textit{Federal Courts Act}, R.S.C. 1985, c. F-7 as amended.