

Use of a Composite Mark May Not Be Use Of a Registered Mark

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A recent decision made in the context of Section 45 of the *Trade-marks Act* illustrates the importance of ensuring that a trade-mark is used in the form in which it is registered.

Section 45

The purpose of the section is to provide a summary procedure for trimming the register of "dead wood". Frequently proceedings under the section are instituted by applicants who are prevented from obtaining a registration for a desired mark by a registration for a mark that is perceived not to be in use.

The section provides that the Registrar of Trade-marks, at the written request of any person (who pays the prescribed fee), made after three years from the date of the registration of a trade-mark, must give notice to the registered owner of the trade-mark requiring the 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 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 in use and the reason for the absence of such use since that date.

The Facts

In a recent case, a Section 45 notice was provided to the owner of the registered trademark SIGMA ACCOUNT for use in association with financial services. The evidence consisted of a brochure which included in its text a trade-mark consisting of the trade-mark owner's name combined with the words SIGMA ACCOUNT followed by the symbol ®. The trade-mark SIGMA was also included in the text followed by the symbol ®. Appearing at the bottom of the brochure the words "®SIGMA is a registered trade-mark of", were followed by the name of the trade-mark owner. There was no trade-mark notice on the brochure referring to the trade-mark SIGMA ACCOUNT.

Composite Trade-Marks

It is well established that the use of a trade-mark in conjunction with another trade-mark or a prefix may not be use of the trade-mark but use of new mark. In the leading case it was found that use of the composite trade-mark CII HONEYWELL BULL did not constitute use of the registered trade-mark BULL. The Court said that the practical test to resolve a case of this nature is to compare the trade-mark as registered with the trade-mark as used and determine whether the differences are so unimportant that an unaware purchaser would be likely to infer that both, in spite of their differences, identify goods having the same origin.

The hearing officer applied this principle and found that the trade-mark owner had failed to show

use of its mark. He also said that the location of the symbol ® and the reference at the bottom of the page were consistent with the use of a composite mark and not the registered mark. As a result, the registration was expunged.

Conclusion

It is clear that in order to maintain a trade-mark registration the mark must be used as registered. Unfortunately, despite the best intentions, problems can occur in carrying this out. One way of avoiding this type of problem is to carry out periodic audits of trade-mark use to ensure that all registered trade-marks of importance are being used appropriately. If new variants are being used and it is likely that such use will continue, new applications should be filed.
