IN THE MATTER OF SECTION 45 PROCEEDINGS
respecting registration No.305,496 for the trade-mark SUNSHINE SKI CLUB,
and registration No.338,941 for the trade-mark SUNSHINE SKI CLUB and Design.

On October 18, 1994, at the request of Davis & Company, the Registrar forwarded Section 45 Notices to Sunshine Village Corporation, the registered owner of the above referenced trade-mark registrations. The trade-marks SUNSHINE SKI CLUB and SUNSHINE SKI CLUB and Design (shown below) cover the identical services, namely:

Services: Association and fund-raising services for the promotion and organization of amateur ski competitions and providing a ski racing program.

In response to the Section 45 notices, the registrant furnished the single affidavit of J. Michael Irvine, Vice-President of Finance and Administration of Sunshine Village Corporation. The original affidavit is on Trade-mark Office file No. 531,536, Registration No. 305,496. Both the requesting party and the registrant made written submissions in regard to the present proceedings. No oral hearing was conducted.

Prior to January 1, 1996, Section 45 of the Trade-Marks Act R.S.C. 1985, c. T-13 (hereinafter "the Act") required the registered owner to demonstrate use of its trade-mark at any time during the two years preceding the date of the Notice. However, Section 45 as amended by the World Trade Organization Agreement Implementation Act now requires the registrant to demonstrate use at any time during the **three year period** preceding the date of the notice for each of the registered wares and/or services. The Trade-Marks Opposition Board applies Section 45 as amended to all Section 45 cases whether they were commenced before or after January 1, 1996. Consequently, the relevant period in this case is between October 18, 1991 and October 18, 1994. If the registrant cannot show

use within this period, it is required to show the date of last use of the mark and provide the reason for the absence of use since such date.

In his affidavit, Mr. Irvine states that the registrant owns and operates a mountain, ski, and summer resort in the Canadian Rockies under the name SUNSHINE VILLAGE also known as SUNSHINE. He states that the resort has been in operation for over 60 years.

Mr. Irvine asserts that the registrant has a licensing agreement with Sunshine Ski Club, a former registered user of the subject trade-marks. He asserts that the club is authorized by the registrant to perform association and fund-raising services for the promotion and organization of amateur ski competitions and providing a ski racing program using the facilities of the registrant, under the trade-marks SUNSHINE SKI CLUB and the SUNSHINE SKI CLUB logo. He further asserts that the trade-mark SUNSHINE SKI CLUB appears on the club premises, and the SUNSHINE SKI CLUB logo is displayed on Club letterhead and that both marks are displayed on brochures, descriptive literature distributed by the Club and on Club membership cards. To corroborate his assertions he attaches Exhibit "A", which he states contains a photograph of the clubs premises, and samples of letterheads, brochures , and a sample Club membership card. He asserts such items were in use during the period October 18, 1992 to October 18, 1994, and are "still in use today". He states also that year-round activities are organized in which Club members may participate including skiing and ski competition, and off-season activities such as hiking, barbecues and bicycle trips. The activities are advertised by means of posters and newsletters, which he corroborates with Exhibit "B", a poster advertisement dated November 1993, and a 1993 and a 1994 newsletter. He mentions that ski competitions during the relevant period were held at Sunshine Village. He asserts that Sunchine Ski Club is a non-profit organization, and that revenues derived from memberships and entry fees go towards staging said competitions.

The requesting party's submissions may be summarized as follows: (1) Mr. Irvine's assertions are inadmissible as hearsay evidence as Mr. Irvine fails to state his employment relationship with Sunshine Ski Club and he has not deposed to having access to the Club’s records or business operations; (2) the affidavit fails to provide evidence of any use of the marks in the performance of

the registered services; or use by the registrant or that accrues to the registrant; (4) The use of the word mark SUNSHINE SKI CLUB is as a trade-name rather than as a trade-mark. I will address each of these submissions.

Admissibility of Mr. Irvine's Evidence:

Mr. Irvine has clearly stated that he is the Vice-President of Finance and Administration for Sunshine Village Corporation, and thus as an officer of the registrant corporation would have knowledge of the registrant's affairs and therefore, would be in a position to have knowledge of the use made of the registrant's trade-marks (see MacDonald et al. v. Vapor Canada Ltd., 6 C.P.R.(2d) 204 at page 124) by the registrant's licensee. He has sworn that the registrant is the licensor of the trade-marks, and that Sunshine Ski Club is the registrant's licensee and was previously recorded as a registered user of the trade-marks. In view of the relationship between the companies, I am satisfied that Mr. Irvine would have knowledge of the use of the trade-mark by the registrant's licensee. Therefore, I find Mr. Irvine's evidence to be admissible.

Use Pursuant To S.4(2) Of The Act:

The requesting party asserts that the registrant has failed to provide evidence of the performance of services in association with the trade-marks. I respectfully disagree.

In the present case, Mr. Irvine has clearly alleged use of the trade-marks in association with each of the registered services. He has shown the manner the trade-marks are used in the advertisement and performance of the services. The use on brochures and descriptive literature distributed by the Club, would be use in the advertisement of the services while the use on signage on Club premises and on membership cards would be use in the advertising as well as performance of the services. He has clearly stated that all such materials were in use during the relevant period.

He stated that there are approximately 65-70 family memberships with the Club constituting over 200 members. The brochures show the services provided by the club, and Mr. Irvine has clearly stated that year-round activities had been organized during the relevant period; the newletter (May 30, 1994) bearing the two trade-marks show summer activities organized during the relevant period

and Mr. Irvine also has clearly provided dates within the relevant period with respect to ski competitions held at SUNSHINE VILLAGE and organized by the Club. In my view, the evidence is sufficient to show use of the marks in the advertisement and performance of services pursuant to section 4(2) of the Act.

In its submissions the requesting party further argues that the circulation of materials by the registrant to its club members is equivalent to the circulation of an internal memo in a corporation, such that there is no use pursuant to S.4(2) of the Act. With respect, I disagree. In my view, club members are members of the public, and they are the Club's customers.

The requesting party has also asserted that the registrant does not perform association and fund-raising activities. I am of a different view. The registrant affirms in his affidavit that the Club does perform association and fund-raising services **for the** promotion and organization of amateur ski competitions, and provision of a ski racing program using the facilities of the registrant and that it has done so during the relevant period . The brochure refers to the following activities: ski leagues, recreational training, a racing program, snowboarding, adult ski improvement and family socials as well as the granting of club championships, and awards. Plainly, some of these activities would be characterized as "association" activities, and, while the evidence on "fund-raising" activities is not as clear as it could have been, the registrant has affirmed that they occur. He has described the club as "non-profit" and that all revenues derived from memberships and entry fees are directed to staging various competitions. He has also enumerated off-season activities organized for the members which in my view, could be characterized as fundraising activities for the promotion and organization of amateur ski competition. Hence, I am satisfied that the registrant has shown use in association with the listed services.

Use As A Trade-Mark:

Concerning the word mark SUNSHINE SKI CLUB, I am of the view that the evidence shows that it is used both as a trade-name and as a trade-mark (for a discussion on trade-names and trade-marks see Road Runner Trailer Mfg. v. Road Runner Trailer Co. 1 C.P.R. (3d) 443). Section 2 of the Act

defines a trade-mark as:

(a) a mark that is used by a person for the purpose of distinguishing or so as to distinguish wares or services manufactures, sold, leased, hired or performed by him from those manufactured, sold, leased, hired or performed by others.

While SUNSHINE SKI CLUB is indeed the business name of the club, I am satisfied that the words are also used as a trade-mark to distinguish the services of the club. Consequently, I am satisfied that SUNSHINE SKI CLUB would be perceived as a trade-mark.

Furthermore, concerning use of the design mark, in my view, in addition to constituting use of the design mark itself, I am also prepared to conclude that it also constitutes use of the word mark "per se" (see Nightingale Interloc Ltd. v. Prodesign Ltd. 2 C.P.R. (3d) at p 538).

Use that accrues to the registered owner:

The requesting party asserts that the club brochure indicates that the club is independent from the registrant, and there is no evidence that the registrant has control directly or indirectly (as prescribed by Section 50(1) of the Act) of the character and quality of the services.

The registrant submits that in accordance with the opposition decisions Helene Curtis v. Belvedere 62 C.P.R. (3d) 394, and Julius Samann Ltd. v. Ferjo 62 C.P.R. (3d) 564, a former registered user is assumed to be at all relevant times licensed to use the registrant's marks. I am prepared to take the same approach as Hearing Officer Herzig did in the above two cases. Consequently, I am prepared to infer that the use by the Sunshine Ski Club who was a registered user of the trade-marks prior to the Registered User provisions being revoked, is still and was at all relevant time proper use and use that is assumed to comply with Section 50 of the Act.

Conclusion:

Based on the evidence filed by the registrant, I am satisfied that the trade-marks were both being used pursuant to Sections 4(2) and 45 of the Act in association with the registered services during the relevant period, and that the use complies with the provisions of the Act. Accordingly, I conclude

from the evidence that the trade-mark registrations ought to be maintained on the register.

By virtue of the provisions of Section 45(5) of the Act, Registration Nos. TMA 305,496 and TMA 338,941 will be maintained.

DATED AT HULL, QUEBEC, THIS 25th DAY OF November, 1996.

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Denise Savard
Senior Hearing Officer
Section 45