



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADE-MARKS

Citation: 2010 TMOB 54
Date of Decision: 2010-04-23

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by Fraser Milner Casgrain LLP against
registration No. TMA145,828 for the trade-mark
BONANZA in the name of Metromedia Steakhouses
Company, L.P.**

[1] On September 25, 2007, at the request of Fraser Milner Casgrain LLP (the Requesting Party), the Registrar of Trade-marks issued the notice prescribed by s. 45 of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act) to Metromedia Steakhouses Company, L.P. (the Registrant), the registered owner of registration No. TMA145,828 for the trade-mark BONANZA (the Mark). The Mark is registered in association with “restaurant services including cocktail lounge-preparation and service of food and beverages and the provision of entertainment by a musical and vocal group.”

[2] Section 45 requires the registered owner of a trade-mark to show whether the mark has been used in Canada in association with each of the wares and services listed in the registration at any time during the three years preceding the date of the notice, in this case between September 25, 2004 and September 25, 2007 (the Time Period). If the mark has not been used during that time period then the registered owner is required to indicate the date on which it was last used and the reason why it has not been used since that date. The onus on a registered owner under s. 45 is not a heavy one [*Austin Nichols & Co. v. Cinnabon, Inc.* (1998), 82 C.P.R. (3d) 513 (F.C.A.)].

[3] What qualifies as use of a trade-mark in association with services is defined in s. 4(2) of the Act, as follows: 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] In response to the s. 45 notice, the Registrant filed an affidavit of Clayton M. Dover.

[5] Both parties filed written representations and participated in an oral hearing.

[6] Mr. Dover is the President and Chief Executive Officer of Metromedia Restaurant Group (MRG). He explains that MRG is an internal trade name that encompasses the Registrant, its related affiliated and subsidiary companies. He attests that the Registrant, through its subsidiary, licensee and franchising entity, Bonanza Restaurant Company (BRC) and through its sub-licensees has continuously provided restaurant services in association with the BONANZA mark in the normal course of trade in Canada. This fairly bald statement is then supported by more detailed statements and exhibits.

[7] Mr. Dover states that the Mark has been used by the Registrant's sub-licensees and BRC's franchisees in the normal course of trade in Canada in association with restaurant services within the Time Period. He further states that during the Time Period the Mark has been displayed on storefront banners (on all BONANZA steakhouse restaurants), road-side signs, menus, customer bills, coupons, gift certificates and advertisements. As exhibits B through D, he provides copies or photographs of such items. He clearly states that each of these exhibits is representative of what was being used during the Time Period. He also provides the location of Canadian franchised restaurants during the Time Period and the sales figures for each Canadian franchisee during the Time Period. I am satisfied that the evidence as a whole shows that the Mark has been used in Canada during the Time Period in association with restaurant services in accordance with s. 4(2) of the Act.

[8] As the Registrant does not personally provide restaurant services, s. 50 of the Act needs to be invoked in order for the evidenced use to be deemed to be that of the Registrant. Section 50 reads:

50. (1) For the purposes of this Act, if an entity is licensed by or with the authority of the owner of a trade-mark to use the trade-mark in a country and the owner has,

under the licence, direct or indirect control of the character or quality of the wares or services, then the use, advertisement or display of the trade-mark in that country as or in a trade-mark, trade-name or otherwise by that entity has, and is deemed always to have had, the same effect as such a use, advertisement or display of the trade-mark in that country by the owner.

(2) For the purposes of this Act, to the extent that public notice is given of the fact that the use of a trade-mark is a licensed use and of the identity of the owner, it shall be presumed, unless the contrary is proven, that the use is licensed by the owner of the trade-mark and the character or quality of the wares or services is under the control of the owner.

[9] Mr. Dover makes the following attestations in support of a claim to the benefit of s. 50(1):

- Pursuant to a written licence agreement with BRC, and pursuant to written franchise agreements signed by each sub-licensee of the Registrant and franchisee of BRC operating in Canada, at all times the Registrant has retained control over the character and quality of the services provided in association with the Mark as well as the use, advertisement and display of the Mark.
- Each franchisee operating in Canada during the Time Period signed a franchise agreement pursuant to which the Registrant exercised control, through its subsidiary and licensee BRC, over the use of the Mark, particularly with respect to the décor and nature and quality of the food and services provided by the franchisee, as well as the form and manner in which the Mark was used.
- Each franchise agreement was supplemented by an operations and procedures manual, memoranda and inspections.

[10] The foregoing attestations are more than sufficient to invoke s. 50(1) in a s. 45 proceeding. I am satisfied that the Registrant indirectly controlled the character and quality of the services performed in association with the Mark in Canada during the Time Period. Contrary to the Requesting Party's submissions, there is no need to file copies of licence or sub-licence agreements. [*Sim & McBurney v. LeSage Inc.* (1996), 67 C.P.R. (3d) 571 (T.M.O.B.)]

[11] The Requesting Party has taken the position that the evidence is rife with ambiguities that renders the affidavit insufficient. I disagree. While the Requesting Party has relied on *Aerosol*

Fillers Inc. v. Plough (Canada) Ltd. (1979), 45 C.P.R. (2d) 194 at 198 (F.C.T.D.); aff'd 53 C.P.R. (3d) 62 (F.C.A.) in support of its submissions, the evidence before me bears no similarity to the evidence discussed in *Aerosol*. The Requesting Party has indicated that there are certain pieces of additional information that the Registrant might have provided, but s. 45 case law makes it clear that evidential overkill is not required [*Union Electric Supply Co. Ltd. v. Registrar of Trade Marks* (1982), 63 C.P.R. (2d) 56 (F.C.T.D.)]. Reading the evidence as a whole, I have no doubt that the Mark was used in Canada in association with restaurant services in the normal course of trade by the Registrant through its controlled sub-licensees during the Time Period. The Requesting Party has pointed out that the registration indicates that the Registrant acquired the registration by assignment as of July 18, 2006. However, this does not change my conclusion; evidence of use between July 18, 2006 and September 25, 2007 is sufficient to maintain the registration.

Disposition

[12] Pursuant to the authority delegated to me under s. 63(3) of the Act, the registration will be maintained, in compliance with the provisions of s. 45 of the Act.

Jill W. Bradbury
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office