

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

Citation: 2017 TMOB 34 Date of Decision: 2017-04-07

IN THE MATTER OF A SECTION 45 PROCEEDING

Stikeman Elliott LLP

Requesting Party

and

Millennium & Copthorne International Limited

Registered Owner

TMA809,286 for STUDIO M HOTEL & Design
TMA809,287 for STUDIO M HOTEL

Registrations

[1] At the request of Stikeman Elliott LLP (the Requesting Party), the Registrar of Trademarks issued notices under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) on November 3, 2014 to Millennium & Copthorne International Limited (the Owner), the registered owner of registration No. TMA809,286 for the design mark STUDIO M HOTEL & Design and registration No. TMA809,287 for the word mark STUDIO M HOTEL (the Marks). The design mark is shown below:

STUDIO III HOTEL

- [2] The Marks are both registered for use in association with "Hotel services and reservation services in relation to hotels".
- [3] Each notice required the Owner to furnish evidence showing that the trade-mark was in use in Canada, in association with each of the services specified in the registration, at any time between November 3, 2011 and November 3, 2014. If the trade-mark had not been so used, the

Owner was required to furnish evidence providing the date when the trade-mark was last used and the reasons for the absence of use since that date.

- [4] The relevant definition of use with respect to services is set out in section 4(2) of the Act as follows:
 - 4(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.
- [5] It is well established that mere assertions of use are not sufficient to demonstrate use in the context of section 45 proceedings [Plough (Canada) Ltd v Aerosol Fillers Inc (1980), 53 CPR (2d) 62 (FCA)]. Although the threshold for establishing use in these proceedings is low [Woods Canada Ltd v Lang Michener (1996), 71 CPR (3d) 477 (FCTD)], and evidentiary overkill is not required [Union Electric Supply Co Ltd v Registrar of Trade Marks (1982), 63 CPR (2d) 56 (FCTD)], sufficient facts must still be provided to permit the Registrar to arrive at a conclusion of use of the trade-mark in association with each of the services specified in the registration during the relevant period.
- [6] With respect to services, the display of a trade-mark on advertising is sufficient to meet the requirements of section 4(2) when the trade-mark owner is offering and prepared to perform those services in Canada [Wenward (Canada) Ltd v Dynaturf Co (1976), 28 CPR (2d) 20 (TMOB)].
- [7] In response to both of the Registrar's notices, the Owner furnished the affidavit of Sheila Murugasu, sworn on May 28, 2015 in Singapore, and the affidavit of Peterson Eugenio, sworn on June 2, 2015 in Toronto, Ontario. I note that the furnished affidavits in respect of both registrations are substantively identical. Both parties filed written representations; an oral hearing was not requested.

The Owner's Evidence

[8] In her affidavit, Ms. Murugasu identifies herself as legal counsel of Hong Leong Management Services Pte Ltd. She explains that Hong Leong Management is a part of the Hong Leong Investment Holdings Group, which includes Millennium & Copthorne Hotels plc (M&C)

and its subsidiary, the Owner. She attests that the STUDIO M HOTEL word mark is registered in 67 countries around the world and the STUDIO M HOTEL & Design mark is registered in 70 countries around the world. She explains that the first Studio M Hotel, which opened in Singapore in 2010, is operated by the Owner. Ms. Murugasu attests that the Marks are prominently displayed on hotel signage and throughout the hotel. She confirms that, during the relevant period, M&C was licensed to use the Marks in Canada and elsewhere and that, under the terms of the license, the Owner had direct or indirect control of the character or quality of the services performed in association with the Marks.

- [9] With respect to the registered "hotel services", Ms. Murugasu attests that, notwithstanding the Studio M Hotel's physical location in Singapore, such services were provided to customers in Canada by way of "event planning services for meetings and functions, coupled with the advice and assistance of an experienced team of conference centre specialists who assisted in planning conferences, business meetings and social events".
- [10] Ms. Murugasu attests that the Marks were prominently displayed on the M&C website where such services were advertised. She explains that the Studio M Hotel portion of the M&C website received "in excess of 526 visits emanating from Canada from more than 450 unique visitors, resulting in excess of 1,090 page views between November 1, 2011 and August 31, 2012".
- [11] In support, she provides various printouts from the M&C website at Exhibits B through E to her affidavit. The exhibited webpages provide information about the Studio M Hotel and advertise its various services and amenities. Such "Guest Services" include concierge services, room service, housekeeping services, sports and leisure facilities, and travel and tour reservations. With regards to "event planning services", the exhibited webpages state that the Studio M Hotel "features three private cabanas that offer stylized spaces ideal for casual client meetings" and offers "access to the spacious and state of the art event spaces at Grand Copthorne Waterfront Hotel and Copthorne King's Hotel, [Studio M's] sister hotels".
- [12] Also included, at Exhibits G and H to her affidavit, are various brochures, flyers, print advertisements, and printouts from social media advertising the Studio M Hotel and its various services and amenities.

- [13] I note that most of the exhibited webpages are dated during the relevant period. For the exhibited webpages that are dated after, Ms. Murugasu attests that they are representative of how the Marks were displayed during the relevant period.
- [14] In this respect, I note that the word mark appears throughout the aforementioned exhibits attached to Ms. Murugasu's affidavit. As for the design mark, it does not appear *as registered* on any of the exhibited pages. However, a variant of the design mark is displayed throughout the webpages and some of the advertising material, in the form of a Studio M Hotel logo where the stylized M design element appears above "STUDIO M HOTEL".
- [15] With respect to the registered "reservation services in relation to hotels", Ms. Murugasu attests that Canadian residents made reservations for their stays at the Studio M Hotel online through the M&C website. In support, she attaches printouts from the M&C website's online reservation page as Exhibit J to her affidavit.
- [16] Again, Ms. Murugasu attests that the Marks were prominently displayed on the M&C website where such services were advertised. Further, she states that, from March 2010 to November 2014, more than 11,000 Canadian visitors stayed at the Studio M Hotel. In support, Ms. Murugasu attaches extracts from the hotel's reservation service database, as Exhibit K to her affidavit. She attests that the extracts show online reservation bookings with the Studio M Hotel made by Canadians before, during and after the relevant period. Ms. Murugasu also attests that, during the relevant period, the Studio M Hotel received bookings from Canadian travel agents on behalf of their clients.
- [17] Both the word mark and the Studio M Hotel logo appear throughout Exhibits J and K.
- [18] As for the second affidavit, Mr. Eugenio attests that he is a searcher employed by the agent of the Owner. He describes searches he conducted of the M&C website and searches of *archive.org* for a version of the M&C website as it appeared during the relevant period. Printouts of his search results are attached as Exhibits A to M to his affidavit. The printouts are consistent with the exhibits to Ms. Murugasu's affidavit, and include versions of the website from the relevant period. For example, Exhibit J of Mr. Eugenio's affidavit contains a printout of the February 8, 2013 version of the M&C website, showing the home page for the Studio M Hotel.

- [19] Mr. Eugenio also attests to searches of third-party websites (such as *expedia.ca*, *travelocity.ca*, and *facebook.com*) for references to the Studio M Hotel. Printouts of his search results are attached as Exhibits N through P to his affidavit. For example, Exhibit P contains a printout of the TripAdvisor webpage for the Studio M Hotel.
- [20] Again, both the word mark and the Studio M Hotel logo appear throughout the exhibits.

Preliminary Issue - Deviation

[21] Although the Studio M Hotel logo displayed in the exhibits does not appear exactly as the registered design mark, in applying the principles set out by the Federal Court of Appeal [per *Canada (Registrar of Trade Marks) v Cie International pour l'informatique CII Honeywell Bull SA* (1985), 4 CPR (3d) 523 (FCA) and *Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)], I am satisfied that the dominant features of the registered design mark, being the word STUDIO and the stylized "M", are retained. In my view, "STUDIO M HOTEL" and its placement below the stylized M constitute minor deviations from the design mark as registered. Indeed, the Requesting Party did not raise this as an issue in its representations.

Preliminary Issue - Licensing

In its written representations, the Requesting Party argues that the Owner failed to provide a copy of a license agreement or any such documentation to demonstrate or support that M&C's use of the Marks in Canada was licensed by the Owner. However, I agree with the Owner that Ms. Murugasu's statement of control is sufficient to establish the requisite control pursuant to section 50 of the Act [per *Empresa Cubana Del Tabaco Trading v Shapiro Cohen*, 2011 FC 102, 91 CPR (4th) 248].

Analysis

[23] I note that the evidence in this case and the parties' written representations are substantially similar to those in *Stikeman Elliott LLP v Millennium & Copthorne International Limited*, 2015 TMOB 231 [*M Hotel*], concerning a section 45 cancellation proceeding with respect to the registration for the trade-mark M HOTEL & Design, in association with 'Hotel services and hotel reservation services'. The present case also bears similarities to the recent

decision of the Registrar in *Miller Thomson LLP v Hilton Worldwide Holding LLP*, (2017) TMOB 19 [*Waldorf-Astoria*], concerning a section 45 cancellation proceeding with respect to the registration for the trade-mark WALDORF-ASTORIA, in association with "Hotel services". As in the present case, the evidence in both *M Hotel* and *Waldorf-Astoria* was that there was no physical presence of a hotel in Canada.

[24] As the parties' representations have not given me reason to distinguish this case from *M Hotel* and *Waldorf-Astoria*, the following analysis will bear significant similarities to the reasoning in those cases.

Hotel Reservation Services

- [25] With respect to "reservation services in relation to hotels", the Requesting Party submits that such services "are likely recorded or processed in Singapore where the hotel is located such that there is no connection to Canada" and thus cannot constitute use by the Owner pursuant to section 4 of the Act. Furthermore, the Requesting Party submits that no evidence has been provided to support the statement that the M&C website was visited by more than 400 unique Canadian visitors during the relevant period. Finally, the Requesting Party submits that the Owner did not furnish any invoices, financial statements, or any documentation to support the assertion that Canadians made bookings at the Studio M Hotel during the relevant period.
- [26] For its part, the Owner submits that "reservation services in relation to hotels" were available to Canadians through the M&C website during the relevant period, noting that the Marks appeared on the webpages for the hotel's reservation system. Furthermore, it submits that such reservation services can be completed without the individual having to step foot outside of Canada.
- [27] In view of the evidence as a whole, it is clear that Canadians made reservations through the M&C website during the relevant period to stay at the Studio M Hotel in Singapore, both during and after the relevant period. In view of Ms. Murugasu's clear statements, it was not necessary for the Owner to furnish additional documentary evidence in this respect. As such, I accept that the Marks would have been seen by Canadians in advertisements for the hotel and specifically in advertisements for making reservations on the M&C website.

- [28] The present case is substantively similar to the Registrar's decision in *Maillis v Mirage Resorts Inc*, 2012 TMOB 220, 107 CPR (4th) 298 [*Bellagio*], where it was found that the ability to make bookings from Canada was sufficient to support a registration in association with "hotel and casino reservation and booking services".
- [29] As such, I am satisfied that the Owner has demonstrated use of the Marks in association with "reservation services in relation to hotels" within the meaning of sections 4 and 45 of the Act.

Hotel Services

- [30] In the *Bellagio* decision, despite the demonstration of use in association with "hotel and casino reservation and booking services", the Registrar held that merely offering reservation and booking services in Canada could not support that registration with respect to "hotels".
- [31] Indeed, the jurisprudence has held that advertising in Canada alone is insufficient to demonstrate use with respect to services; at the very least, the services have to be available to be performed in Canada [per *Wenward*, *supra*]. In *Marineland Inc v Marine Wonderland and Animal Park Ltd* (1974), 16 CPR (2d) 97 (FCTD), the Federal Court reasoned that where performance of services offered by a trade-mark owner, by necessity, could only be completed by travelling abroad, the sale of admission vouchers in Canada could not be considered performance of those services in Canada.
- [32] Similarly, in *Motel 6 Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD) and *Porter v Don the Beachcomber* (1966), 48 CPR 280 (Ex Ct), it was held that where a trade-mark is associated with advertising in Canada for services that can only be benefitted from outside of Canada, proper use of the trade-mark has not been shown.
- [33] Furthermore, while the appearance of a trade-mark on a computer screen in Canada *may* constitute use of a trade-mark, the registered services must still be offered in Canada [per *UNICAST SA v South Asian Broadcasting Corporation*, 2014 FC 295, 122 CPR (4th) 409].
- [34] In this case, the Requesting Party notes that it is clear that the Owner has no physical presence in Canada. It submits that the Owner's hotel services "can only be rendered in

Singapore given the location of the Studio M Hotel', and not in Canada. As such, the Requesting Party argues that it cannot be said that the Owner was offering or prepared to perform the registered "hotel services" *in Canada* during the relevant period.

- [35] For its part, the Owner submits that "hotel services" should be given a liberal interpretation [citing Saks & Co v Canada (Registrar of Trade Marks) (1989), 24 CPR (3d) 49 (FCTD); Venice Simplon-Orient-Express Inc v Société Nationale des Chemins de Fer Français SNCF (2000), 9 CPR (4th) 443 (FC) [Orient Express]; and TSA Stores, Inc v Canada (Registrar of Trade-marks) (2011), 91 CPR (4th) 324 (FCTD)].
- [36] Accordingly, the Owner submits that it is not merely advertising, but that the registered hotel services are available to Canadians. In this respect, again, the Owner emphasized the "ancillary" hotel services offered to Canadians in the form of its event planning services, among others [citing *Allianz Global Investors of America LP v Middlefield Capital Corporation*, 2014 FC 620, 127 CPR (4th)].
- [37] The Owner submits that event planning is an example of an "ancillary" hotel service that "was advertised to Canadians and available for performance in Canada in association with the Trademarks during the Relevant Period". Similar to language used in *TSA*, *supra*, the Owner submits that a person's ability to visit its website to use such "ancillary" services is "akin to visiting with and benefitting from a discussion with a knowledgeable hotel employee or hotel concierge at the [Owner's] Studio M Hotel".
- [38] The Owner compares itself favourably to the registered owner in *Orient-Express*, *supra*. In *Orient Express*, the Federal Court dismissed an appeal of the Registrar's decision, where the Registrar found that the services in question, "travel services, namely railway passenger services", encompassed services such as "train ticketing and train reservations". In that decision [(1995), 64 CPR (3d) 87 (TMOB)], the Registrar drew on the language of "ancillary" and "incidental" services from *Kraft Ltd v Registrar of Trade-marks* (1984), 1 CPR (3d) 457 (FCTD) to give a broad interpretation to the registered services, stating that "the expression, in my view, conveys several ideas and I can see no reason why such an expression should be given a restrictive interpretation" [at page 90].

[39] However, as in the *M Hotel* decision, I do not consider *Orient Express* to stand for the principle that the ability to reserve, book or pay for certain services *from* Canada constitutes performance of such services *in* Canada. Rather, *Orient Express* only stands for the reasonableness of the Registrar's conclusion with respect to a particular articulation of services in the context of particular evidence of use. In this respect, I note that the Federal Court in that case did not adopt the Registrar's reasoning *per se*. Instead, it states the following at paragraph 10:

The term "services" was interpreted broadly in *Saks & Co. v. Canada (Registrar of Trade Marks)* (1989), 24 C.P.R. (3d) 49 (F.C.T.D.). In that case Saks did not have a Canadian store but did receive mail and telephone orders from Canada for merchandise. The services in that case were performed without the Canadian customer having to leave Canada. In my view the words "travel services, namely passenger rail services" should not be given any more limited scope. Thus, it was reasonable to find that the performance in Canada by a travel agency of booking, reservation and ticketing services constitutes the performance in Canada of such services by the registrant.

- [40] In my view, the Court did not explicitly endorse the Registrar's reasoning in that case, only accepting that "travel services, namely passenger rail services" could be interpreted broadly to encompass the travel agency-type services actually in evidence.
- [41] As such, the Federal Court's decision in *Orient Express*, while dismissing the appeal of the Registrar's decision, did not overturn the principles enunciated in *Marineland*, *supra*, and *Motel 6*, *supra*, with respect to what constitutes performance of services in Canada. Indeed, more recently, the Federal Court has cited *Marineland* favourably while giving *Orient Express* a narrow interpretation [see *Express File Inc v HRB Royalty Inc* (2005), 39 CPR (4th) 59 (FC)].
- [42] Although *Orient Express* is often cited for the principle that services should be interpreted "broadly", the foundational principle from *Kraft* is with respect to what activities can constitute a service, not that any activity constitutes the performance of a particular service. Furthermore, the Federal Court of Appeal has acknowledged that interpreting services broadly has limits [see, for example: *Boutique Limité Inc v Limco Investments, Inc* (1998), 84 CPR (3d) 164 (FCA), in which a U.S. store providing refunds to Canadians was insufficient to justify a registration of "retail women's clothing store services" in Canada].

- [43] Similarly, I do not consider the decision in *TSA* applicable to the present case. The decision in *TSA* was with respect to the performance of retail store services in the context of a line of cases that had established that a "bricks-and-mortar" presence in Canada is not necessary to establish use of a trade-mark in association with such services. For example, the operation of a retail website or 1-800 number can be sufficient [per *Law Office of Philip B Kerr v Face Stockholm Ltd* (2001) 16 CPR (4th) 105 (TMOB); and *Saks, supra*]. As such, the issue in *TSA* was the threshold of services required to constitute the performance of "retail store services" in Canada.
- [44] Unlike retail store services, however, a hotel cannot be operated via the Internet or a telephone number; it is contrary to common sense to equate the ability to make hotel reservations or other bookings with the operation of a hotel [see *Bellagio*, *supra*, at paragraph 17]. Indeed, in *Motel 6*, *supra*, the Federal Court explicitly stated that "…receiving and confirming reservations for motel accommodation in the U.S.A. does not constitute use of the mark in Canada in association with motel services" [at page 57].
- [45] This interpretation is consistent with the underlying importance of the concept of "use" in Canadian trade-mark law, that a trade-mark must be used in Canada in order to have the benefits of exclusivity. While foreign trade-mark owners may register their trade-marks in Canada (e.g., pursuant to section 16(2) of the Act) and enjoy the benefits of registration, maintenance of one's registration depends on use in Canada.
- [46] As noted in *M Hotel*, notwithstanding the use of the terms "primary", "ancillary" or "incidental" in some jurisprudence, these terms are not found in the Act at all, much less defined. The point in *Kraft* was that distinguishing between "ancillary", "incidental" or "primary" services was unnecessary in determining what constitutes a "service" under the Act. It follows that using such terms when determining whether a particular activity constitutes a particular registered service is unwarranted. Such an exercise has little basis in the Act and inevitably leads to absurd arguments and results.
- [47] Rather, per section 30 of the Act, services must be stated in ordinary commercial terms and whether a trade-mark has been used in association the registered services is to be determined

on a case-by-case basis [see *Express File*, *supra*]. Accordingly, registered services should be interpreted in accordance with common sense and given their ordinary meaning.

- [48] In this case, the Owner is conflating the offering of reservation services and the promotion of its Singapore-based hotel with actual performance of hotel services in Canada. It may be that the Marks are well known in Canada. However, the advertisement of one's services on a website does not necessarily constitute performance of such services. While promotion of the Owner's hotel may occur in Canada, this is not use of the Marks in Canada with respect to "hotel services", unless the Owner performs or is prepared to perform its hotel services in Canada [see *Wenward*, *supra*].
- [49] This is consistent with the plain meaning of the statement of services and in light of the evidence furnished. "Event planning" and "reservation" services are not "hotel services", and the registrations should not be maintained in this respect simply because the service actually available in Canada is tangentially related.
- [50] Indeed, the argument that some activity is "technically" use should not be successful. In line with this, courts have generally taken a dim view of token commercial activity designed to protect intellectual property rights. I note the following observation from the Federal Court in *Plough*, *supra*, at paragraph 10:

There is no room for a dog in the manger attitude on the part of registered owners who may wish to hold on to a registration notwithstanding that the trade mark is no longer in use at all or not in use with respect to some of the wares in respect of which the mark is registered.

- [51] Maintaining the registration with respect to "hotel services" in this case would give the Owner an overly broad scope of protection over services that it does not actually perform in Canada. Where a trade-mark owner performs services in another jurisdiction and wishes to obtain and maintain a registration in Canada in association with the same trade-mark and same services, it should generally mirror the performance of those services in Canada; merely casting the shadow of those services is insufficient.
- [52] This reasoning is consistent with the recent decision of the Registrar in *Fetherstonhaugh* & Co v Supershuttle, Inc, 2014 TMOB 155 [affirmed 2015 FC 1259]. In Supershuttle, the

Registrar distinguished TSA and Orient Express on the basis that not merely any activity can

constitute performance of a particular service [at paragraph 25]. As noted above, this reasoning

was also recently applied by the Registrar in Waldorf-Astoria.

[53] As such, there is no evidence before me that the Owner performed or was able to perform

"hotel services" in Canada during the relevant period. Accordingly, I cannot conclude that the

Owner has demonstrated use of the Marks in association with "hotel services" within the

meaning of sections 4 and 45 of the Act. Furthermore, the Owner provided no evidence of

special circumstances excusing the absence of such use.

[54] The registrations will be amended accordingly.

Disposition for TMA809,286

[55] In view of all of the foregoing, pursuant to the authority delegated to me under

section 63(3) of the Act and in compliance with section 45 of the Act, registration No.

TMA809,286 will be amended to delete "hotel services".

[56] The amended statement of services will be "Reservation services in relation to hotels".

Disposition for TMA809,287

[57] Similarly, in view of all of the foregoing, pursuant to the authority delegated to me under

section 63(3) of the Act and in compliance with section 45 of the Act, registration No.

TMA809,287 will also be amended to delete "hotel services".

[58] The amended statement of services will be "Reservation services in relation to hotels".

Andrew Bene

Hearing Officer

Trade-marks Opposition Board

Canadian Intellectual Property Office

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TRADE-MARKS OPPOSITION BOARD CANADIAN INTELLECTUAL PROPERTY OFFICE APPEARANCES AND AGENTS OF RECORD

HEARING DATE: No Hearing Held

AGENTS OF RECORD

Bereskin & Parr LLP/S.E.N.C.R.L., S.R.L. For the Registered Owner

Stikeman Elliott S.E.N.C.R.L., SRL/LLP For the Requesting Party