

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

Citation: 2017 TMOB 86

Date of Decision: 2017-07-26

IN THE MATTER OF A SECTION 45 PROCEEDING

Valhalla Pure Outfitters Inc. and

Requesting Party

Pure Licensing Limited

Registered Owner

TMA774,910 for PURE YOGA & Design

Registration

[1] At the request of Valhalla Pure Outfitters Inc. (the Requesting Party), the Registrar of Trade-marks issued a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) on January 15, 2015, to Pure Licensing Limited (the Owner), the registered owner of registration No. TMA774,910 for the trade-mark PURE YOGA & Design (the Mark), shown below:



[2] The Mark is registered for use in association with the following goods:

Clothing namely, T-shirts, pants, sweat pants, sweat shirts, shorts, shirts, tank tops, tights, bathing suits, beachwear, underwear, sweaters, dresses, infant wear, sleepers, jackets, shifts, vests, jerseys, night shirts, night gowns, pajamas, casual clothing, blouses, vests, skirts, athletic clothing, robes, rainwear, coats; footwear namely athletic shoes, slippers, boots, sandals, shoes, flip flops, yoga shoes, running shoes; headgear namely, scarves, berets, hats, scrungies, turbans, caps, knit caps, toques, head bands; yoga wear; exercise

wear; sports wear; belts; bibs; Halloween costumes; gloves; hosiery; mittens; socks; scarves; neckties; wrist bands; leotards; leg warmers; stockings; panty hose.

[3] The Mark is also registered for use in association with the following services:

Entertainment services, namely, organizing, producing, directing, live stage shows featuring yoga and music, presentation of live performances; education services namely arranging and conducting classes, seminars, conferences, conventions, exhibitions and instructor training in the fields of yoga instruction, yoga philosophy, yoga theory and practice, allopathic physical systems, integration of medical and yogic systems, yoga therapy, marketing yoga services, physical fitness, meditation, self-awareness, mental training and discipline, and health, and distributing course materials in connection therewith; education services namely, yoga services in the form of lectures, seminars, workshops, retreats, classes, courses, individual instruction teacher training, yoga therapy training; education, tutoring and training services in the fields of yoga; entertainer services in connection with yoga; organizing of gymnastic events; providing on-line information relating to yoga; entertainment services, namely shows featuring yoga and fitness techniques; provision of the foregoing information, entertainment and recreational services by electronic means, namely the Internet; consultancy services and advisory services relating to all the aforesaid services.

- [4] Section 45 of the Act requires the registered owner of the trade-mark to show whether the trade-mark has been used in Canada in association with each of the goods and services specified in the registration at any time within the three-year period immediately preceding the date of the notice and, if not, the date when the trade-mark was last used and the reason for the absence of use since that date.
- [5] In this case, the relevant period for showing use is between January 15, 2012 and January 15, 2015.
- [6] The relevant definitions of "use" are set out in sections 4(1) and 4(2) of the Act as follows:
 - 4(1) A trade-mark is deemed to be used in association with goods if, at the time of the transfer of the property in or possession of the goods, in the normal course of trade, it is marked on the goods themselves or on the packages in which they are distributed or it is in any other manner so associated with the goods that notice of the association is then given to the person to whom the property or possession is transferred.
 - 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.

- [7] 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 is quite 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 goods and services specified in the registration during the relevant period [John Labatt Ltd v Rainer Brewing Co et al (1984), 80 CPR (2d) 228 (FCA)].
- [8] In response to the Registrar's notice, the Owner furnished the affidavit of Yeung Wing Tai Charlie, sworn on August 10, 2015 in Hong Kong. Both parties filed written representations, but only the Owner was represented at an oral hearing held on March 29, 2017.

The Owner's Evidence

- [9] In his affidavit, Mr. Yeung identifies himself as the Financial Controller of Pure International (HK) Limited (Pure), a sister company of the Owner. Mr. Yeung states that both companies are wholly-owned subsidiaries of their parent company, Pure International Holdings (BVI) Ltd. Mr. Yeung further identifies Pure as the Owner's affiliate that licenses the use of the Mark in Canada.
- [10] Mr. Yeung explains that Pure Yoga is a yoga and fitness program that was founded in Asia in 2009 by Patrick Creelman. He states that Mr. Creelman "consistently comes to Canada, on behalf of Pure, to conduct seminars, conferences, organize conventions and exhibits and teach/instruct classes relating to, among other things, yoga, physical fitness and health."
- [11] Mr. Yeung confirms that the Mark is depicted in marketing and advertising material relating to Mr. Creelman's appearances in Canada.
- [12] Mr. Yeung states that Canadian yoga studios hosting Mr. Creelman typically enter into licensing agreements with Pure, in which they agree to market and promote the event with reference to the Mark on associated advertising material. Mr. Yeung adds that some of the Canadian studios Mr. Creelman works with post instructional videos on their websites. He

further provides that Mr. Creelman typically wears a t-shirt that depicts the Mark when participating in such videos.

- [13] Mr. Yeung attests that "over USD\$70,000 in revenue" was generated during the relevant period "as a result of the educational, consulting and advisory services provided by [Mr. Creelman] in Canada alone."
- [14] With respect to the registered goods, Mr. Yeung attests that participants of the workshops have the option to purchase the Pure Yoga t-shirt as well as "a wide range of clothing / apparel", which he lists in his affidavit.
- [15] In support, attached to his affidavit are the following exhibits:
 - Exhibit A is an excerpt from the Pure Yoga website at www.pure-yoga.com. An inverted-contrast variation of the Mark appears at the top and bottom of the page. The webpage provides background regarding Pure Yoga, including the following description: "Pure Yoga is Asia's leading lifestyle brand of yoga studios with a wide variety of yoga practices [...] Pure Yoga constantly invites world-renowned teachers to lead guest teacher workshops, Teacher Trainings, Continuing Education for Teachers programmes, and retreats in idyllic locales that take yoga beyond the studio."
 - Exhibits B to H are examples of contracts between various Canadian yoga studios and Pure relating to classes or workshops conducted by Mr. Creelman during the relevant period.
 - Exhibits I to N are examples of promotional materials and photographs relating to some
 of the classes and workshops held in Canada during the relevant period. The Mark
 appears throughout the materials. In some of the exhibits, Mr. Creelman can be seen
 wearing a t-shirt displaying the Mark.
 - Exhibit O is a webpage printout from yogapod.com, which the affiant attests includes a video of Mr. Creelman. The video is labelled as "Patrick Creelman Strength & Intelligence of Hatha Yoga".

• Exhibit P is an excerpt from Pure's website at www.pure-yoga.com, which Mr. Yeung attests "outlines rules to use yogic resolution effectively" and was posted during the relevant period.

Analysis – Goods

- [16] With respect to the registered goods, including t-shirts, Mr. Yeung simply states that some clothing goods are available to be purchased by Canadian customers. However, merely offering goods for sale is not sufficient to satisfy section 4(1) of the Act [see, for example, *The Molson Companies Ltd v Halter* (1976), 28 CPR (2d) 158 (FCTD); and *Gowling, Strathy & Henderson v Royal Bank of Canada* (1995), 63 CPR (3d) 322 (FCTD)]. Some evidence of transfers in the normal course of trade in Canada is necessary. In this case, the Owner furnished no evidence of transfers of any of the registered goods.
- [17] Accordingly, I am not satisfied that the Owner has demonstrated use of the Mark in association with any of the registered goods within the meaning of sections 4 and 45 of the Act. As the Owner furnished no evidence of special circumstances excusing non-use of the Mark, the registration will be amended to delete the statement of goods.

Analysis – Services

- [18] With respect to the registered services, the Requesting Party first submits that there is no evidence of a verbal or written license between Pure and the Owner.
- [19] However, for the reasons below, I accept that any evidenced use of the Mark by Pure and Mr. Creelman enures to the benefit of the Owner pursuant to section 50(1) of the Act.
- [20] Section 50(1) reads as follows:

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 goods 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.

- [21] It has been held that there are three main methods by which a trade-mark owner can demonstrate the requisite control pursuant to section 50(1) of the Act: first, by clearly attesting to the fact that it exerts the requisite control; second, by providing evidence demonstrating that it exerts the requisite control; or third, by providing a copy of the license agreement that explicitly provides for the requisite control [see *Empresa Cubana Del Tabaco Trading v Shapiro Cohen*, 2011 FC 102, 91 CPR (4th) 248, aff'd 2011 FCA 340].
- [22] Furthermore, the evidence as a whole must be considered and it is not the proper approach to dissect an affidavit such that statements made are considered only out of context [see Kvas Miller Everitt v Compute (Bridgend) Limited (2005), 47 CPR (4th) 209 (TMOB)]. The evidence need not be perfect; indeed, a registered owner need only establish a prima facie case of use within the meaning of section 4 of the Act [see Diamant Elinor Inc v 88766 Canada Inc, 2010 FC 1184 at paragraph 2]. This burden of proof is very light: evidence must only supply facts from which a conclusion of use may follow as a logical inference [per Diamant at paragraph 9].
- [23] Consistent with this jurisprudence, the Registrar and Federal Court have long inferred that the control required by section 50(1) is present where, for example, the licensee and owner are under common control [see *Lindy v Canada (Registrar of Trade Marks)*, 1999 CarswellNat 652 (FCA); and, for example, *Petro-Canada v 2946661 Canada Inc* (1998), 83 CPR (3d) 129 (FCTD)]. Further, per the Federal Court in *Empresa*, *supra*, merely making a statement asserting control is sufficient. Such a statement does not need to be accompanied by specifics regarding the degree, level or nature of control. It must simply be taken at face value as a statement of fact and afforded substantial credibility [per *Ogilvy Renault v Compania Roca-Radiadores SA*, 2008 CarswellNat 776 (TMOB)].
- [24] Given the low threshold of demonstrating control under the statement method articulated in *Empresa*, I see no reason why the requisite control cannot be found by the Registrar on the basis of reasonable inferences from facts stated in the affidavit [see *Spirits International BV v BCF SENCRL and Registrar of Trade-marks*, 2012 FCA 131 at paragraph 8].
- [25] Here, at a minimum, Pure is not merely a "related company", but in fact is identified as an affiliate of the Owner, responsible for licensing use of the Mark in Canada on behalf of the

Owner. Mr. Yeung attaches various examples of use of the Mark to his affidavit, as well as contracts between Pure and various Canadian yoga studios.

- [26] In the context of the services in this case, it is understandable that Mr. Yeung may consider it inappropriate to use the term "control" to indicate that the Owner has *control* over the quality of the services provided by Mr. Creelman. Mr. Creelman is identified as the founder of the "Pure Yoga" program, and would thus presumably be the one who dictates the quality of the services provided. In any event, as noted above, in the context of a section 45 proceeding, the jurisprudence does not concern itself with the nature or scope of "control", which can be with respect to either the "character" or the "quality" of the goods or services offered in association with the trade-mark.
- [27] Furthermore, the Federal Court has cautioned against letting technical requirements become "a trap for the unwary" where a trade-mark has been obviously in use by its rightful owner [see *Baume & Mercier SA v Brown* (1985), 4 CPR (3d) 96 (FCTD)]. Although that case dealt with technical aspects of affidavits, in view of the purpose and scope of section 45 proceedings, I consider the general principle apt in the present case as well [see also *Riches*, *McKenzie & Herbert LLP v Chaussures M & M Inc/M & M Footwear Inc*, 2013 TMOB 222, 117 CPR (4th) 234].
- [28] It is not clear what reasonable inference could be made to conclude that neither the Owner nor a licensee used the Mark in this case. Rather, the Requesting Party's submissions seem to focus on arguably imprecise language and alleged gaps in the evidence. Certainly, it is not a coincidence that the services offered by Pure and Mr. Creelman are in the nature of yoga services.
- [29] In view of the aforementioned jurisprudence, I have no difficulty making an inference accepting that the relationship between the Owner and Pure was tantamount to a licensee/licensor relationship, given Mr. Yeung's statements and the evidenced relationship of the companies. As such, I accept that any evidenced use of the Mark by Pure and/or Mr. Creelman enures to the benefit of the Owner pursuant to section 50 of the Act.

- [30] The remaining issue in this case is then whether the evidence of use of the Mark correlates to the specified registered services.
- [31] In this respect, the Requesting Party's representations are largely silent. Although the Requesting Party suggests that it is not clear that the services were actually performed in Canada, in view of the evidence described above, it is clear that Pure and Mr. Creelman conducted various yoga-related programs and activities through studios in Canada during the relevant period in association with the Mark. These sessions included music and entertainment elements; informative material was distributed to prospective and attending participants; and sessions had educational elements for both students and teachers of yoga.
- [32] Accordingly, I accept that the Owner has demonstrated use of the Mark in association with the following registered services within the meaning of sections 4 and 45 of the Act: "Entertainment services, namely, organizing, producing, directing, live stage shows featuring yoga and music"; "education services namely arranging and conducting classes, seminars, [...] exhibitions and instructor training in the fields of yoga instruction, yoga philosophy, yoga theory and practice, allopathic physical systems, integration of medical and yogic systems, yoga therapy, marketing yoga services, physical fitness, meditation, self-awareness, mental training and discipline, and health, and distributing course materials in connection therewith"; "education services namely, yoga services in the form of lectures, seminars, workshops, retreats, classes, courses, individual instruction teacher training, yoga therapy training"; "education, tutoring and training services in the fields of yoga"; "entertainer services in connection with yoga"; "entertainment services, namely shows featuring yoga and fitness techniques"; and "consultancy services and advisory services relating to all the aforesaid services."
- [33] Similarly, the evidence shows that Pure provided yoga-related information and videos in association with the Mark through its website or the websites of licensee yoga studios. As such, I accept that the Owner has demonstrated use of the Mark in association with the following registered services within the meaning of sections 4 and 45 of the Act: "providing on-line information relating to yoga"; and "provision of the foregoing information, entertainment and recreational services by electronic means, namely the Internet".

- [34] With respect to "organizing of gymnastic events", at the oral hearing, the Owner submitted that the presentations of Mr. Creelman involved considerable athleticism and that yoga could be considered a form of "gymnastics". However, in view of *John Labatt*, *supra*, and the requirement to show use in association with *each* registered service, I consider "organizing of gymnastic events" to be broader in nature than the yoga-related services already maintained and to be otherwise unsupported by the evidence. In this respect, I note that none of the advertising or other material in evidence refers to the organizing or performance of "gymnastic" events.
- [35] Similarly, with respect to "presentation of live performances", it is not clear that there was performance or advertising of "live performances" other than those already captured by the aforementioned and maintained yoga-specific services.
- [36] Finally, with respect to "education services namely arranging and conducting conferences, conventions ... in the fields of yoga instruction, [etc] ...", even if broadly interpreted, I do not accept that any of the evidenced services amounted to the conduct of "conferences" or "conventions".
- [37] The registration will be amended accordingly.

Disposition

- [38] Accordingly, pursuant to the authority delegated to me under section 63(3) of the Act, the registration will be amended to delete the statement of goods in its entirety and the following from the statement of services: "... presentation of live performances; ... conferences, conventions ...; organizing of gymnastic events...".
- [39] The amended statement of services will be as follows:

Entertainment services, namely, organizing, producing, directing, live stage shows featuring yoga and music; education services namely arranging and conducting classes, seminars, exhibitions and instructor training in the fields of yoga instruction, yoga philosophy, yoga theory and practice, allopathic physical systems, integration of medical and yogic systems, yoga therapy, marketing yoga services, physical fitness, meditation, self-awareness, mental training and discipline, and health, and distributing course materials in connection therewith; education services namely, yoga services in the form of lectures, seminars, workshops, retreats, classes, courses, individual instruction teacher training, yoga therapy training; education, tutoring and training services in the fields of

yoga; entertainer services in connection with yoga; providing on-line information relating to yoga; entertainment services, namely shows featuring yoga and fitness techniques; provision of the foregoing information, entertainment and recreational services by electronic means, namely the Internet; consultancy services and advisory services relating to all the aforesaid services.

Andrew Bene Hearing Officer Trade-marks Opposition Board Canadian Intellectual Property Office

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

HEARING DATE: 2017-03-29

APPEARANCES

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No one appearing For the Requesting Party

AGENTS OF RECORD

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