

Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2023 TMOB 018

Date of Decision: 2023-02-03

IN THE MATTER OF AN OPPOSITION

Opponent: The Coryn Group II, LLC

Applicant: NH HOTEL GROUP, S.A.

Application: 1,822,077 for NHOW Design

INTRODUCTION

[1] On February 9, 2017, NH HOTEL GROUP, S.A. (the Applicant) filed application No. 1,822,077 (the Application) to register the trademark NHOW Design (the Mark), depicted below.

nhow

[2] The Application includes the following colour claim: "Colour is claimed as a feature of the trade-mark. The Applicant claims the colour 'purple' as essential to the trade-mark. The term 'nhow' is 'purple'."

[3] The Application is based on proposed use of the Mark in Canada in association with the services listed in Schedule A to this decision.

[4] The Application was advertised for opposition purposes in the *Trademarks Journal* on June 27, 2018. On November 26, 2018, The Coryn Group II, LLC (the Opponent) filed a statement of opposition against the Application pursuant to section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act). I note that the Act was amended on June 17, 2019, and pursuant to section 70 of the Act, the grounds of opposition in this proceeding will be assessed based on the Act as it read prior to June 17, 2019.

[5] The Opponent raises grounds of opposition under sections 30(a) and 30(e) of the Act. In particular, the Opponent alleges that the services in the Application are not described in ordinary commercial terms in compliance with section 30(a), and that the Applicant did not have the requisite intention to use the Mark in accordance with section 30(e).

[6] The Applicant filed a counter statement denying the grounds of opposition.

[7] As its evidence, the Opponent filed the affidavit of Jennifer MacKinnon sworn on April 27, 2021 (the MacKinnon Affidavit). Ms. MacKinnon is an investigator and her affidavit includes the results of various searches she conducted, both online and by telephone, regarding the Applicant's activities. Ms. MacKinnon was not cross-examined. Her affidavit is discussed further in the analysis of the grounds of opposition.

[8] The Applicant did not file any evidence.

[9] Both parties filed written representations and were ably represented at a hearing.

[10] For the reasons that follow, the opposition is rejected.

ONUS AND MATERIAL DATE

[11] An applicant bears the legal onus of showing that its application complies with the provisions of the Act. However, for each ground of opposition, there is an initial evidential burden on an opponent to adduce sufficient admissible evidence from which it

could reasonably be concluded that the facts alleged to support the ground of opposition exist. For a ground of opposition to be considered at all, the opponent must meet this initial evidential burden. If the initial burden is met, then an applicant must satisfy the Registrar, on a balance of probabilities, that the ground of opposition pleaded should not prevent the registration of the mark at issue [see John Labatt Ltd v Molson Companies Ltd (1990), 30 CPR (3d) 293 (FCTD) at 298; Dion Neckwear Ltd v Christian Dior, SA, 2002 FCA 29].

[12] The material date for assessing both grounds of opposition in this case is the Application filing date, namely, February 9, 2017 [see *Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB); *Skinny Nutritional Corp v Bio-Synergy Ltd*, 2012 TMOB 186, 105 CPR (4th) 206 at para 7].

ANALYSIS OF THE GROUNDS OF OPPOSITION

Section 30(a)

[13] At paragraph 84 of the Opponent's written representations, the Opponent identifies the following services in the Application which it asserts are not described in accordance with section 30(a) of the Act:

a) "providing temporary tourist home accommodations";

b) "accommodation agencies (hotels, boarding-houses) namely agency services for booking ... tourist homes";

c) "rental of temporary accommodation namely ..., tourist homes ... as temporary living accommodations";

d) "rental of ... household and kitchen appliances";

e) "rental of portable buildings";

f) "rental of meeting rooms";

g) "tourist homes namely, reservation of tourist homes"; and,

h) "room reservation services".

[14] At the hearing, the Opponent's counsel confirmed that the above services are the only descriptions that it is contesting under section 30(a) of the Act.

[15] The Opponent argues that these descriptions are overly broad and vague and lack the specific and ordinary commercial terms required by section 30(a). By way of example, the Opponent argues as follows at paragraph 85 of its written representations:

Services describing the dwellings of tourists do not ordinarily use the word "tourist home," but rather specify the type of dwelling structure. It is unclear what sort of dwelling structure would constitute a home, including whether the home is a house, an apartment, or a cottage. For example, "rental of tourist cabins" would be a more specific term.

[16] The Opponent does not rely on any particular evidence to support its section 30(a) ground of opposition, and instead relies on the principle that an opponent's initial burden under section 30(a) is light and can be met via argument alone [see *Pro Image Sportswear Inc v Pro Image Inc* (1992), 42 CPR (3d) 566 (TMOB) at para 13; OCC *Establishment v ORBITEL SERVICIOS INTERNACIONALES SA ESP*, 2018 TMOB 84].

[17] However, even applying that light standard, the Opponent has failed to meet its initial burden in this case. In my view, the above descriptions contested by the Opponent are not impermissibly vague or otherwise deficient on their face. For example, the description "rental of meeting rooms" is currently listed among the acceptable descriptions in the Canadian Intellectual Property Office *Goods and Services Manual*. When this was identified to counsel during the hearing, the Opponent withdrew its section 30(a) objection to that particular service. However, similarly, I note that the *Goods and Services Manual* also lists the description "tourist homes services" as being acceptable, and many of the above-referenced services which remain contested by the Opponent use similar terminology and appear to be of an equivalent level of specificity.

[18] In short, the Opponent filed no evidence relating to this ground, and I am not otherwise persuaded that the contested descriptions are contrary to section 30(a); indeed they appear to be reasonably aligned with acceptable descriptions in the *Goods*

and Services Manual. Therefore, the Opponent has failed to meet its initial evidential burden under section 30(a) and this ground of opposition is rejected.

Section 30(e)

[19] With this ground of opposition, the Opponent asserts that as of the Application filing date, the Applicant did not actually intend to use the Mark in Canada in accordance with section 30(e) of the Act.

<u>The Law</u>

[20] Section 30(e) of the Act (as it then read) states as follows:

30 An applicant for the registration of a trade-mark shall file with the Registrar an application containing

[...]

(e) in the case of a proposed trade-mark, a statement that the applicant, by itself or through a licensee, or by itself and through a licensee, intends to use the trade-mark in Canada;

[21] The nature of the parties' respective burdens in the context of a section 30(e) ground of opposition was concisely described in *Arcadia Group Brands Limited and Top Shop / Top Man Limited v Isaac Bennet Sales Agencies Inc*, 2018 TMOB 6, 158 CPR (4th) 363 at para 104:

While I accept that the facts regarding the Applicant's intention to use the Mark are particularly within the knowledge of the Applicant, there is nevertheless an initial evidential burden on the Opponent to adduce sufficient evidence to support its allegation of the application's non-conformity to section 30(e) of the Act. It is not until the Opponent has discharged its initial evidential burden that the Applicant is required to substantiate the claim that it intended to use the Mark in association with the applied for goods at the time of filing of the application.

[22] The Opponent in this proceeding relies on three cases in which opponents were successful, at least in part, with grounds of opposition under section 30(e) (or its precursor section 29(e)): *Green Spot Co v John M Boese Ltd* (1986), 13 CPR (3d) 206 (TMOB) (*Green Spot*); *Canadian National Railway v Schwauss* (1991), 35 CPR (3d) 90

(TMOB) (*Schwauss*); and *Beiersdorf AG v Mitsubishi Gas Chemical Co*, 2012 TMOB 210, 110 CPR (4th) 363 (*Beiersdorf*).

[23] In *Green Spot*, the opponent was found to have met its initial evidential burden under then section 29(e) by way of evidence that the applicant, rather than intending to use the applied-for trademark itself, was simply intending to supply the opponent's goods under the opponent's trademark to the Canadian market. In the absence of any evidence to the contrary from the applicant, the opponent's section 29(e) ground of opposition was successful.

[24] In *Schwauss*, the opponent was found to have met its initial evidential burden under section 30(e) via evidence that, *inter alia*, the applicant was a former employee of the opponent and the statement of goods and services in the application "appears to be an attempt to name 'every conceivably imagined product available'" [*Schwauss* at paras 16-19]. In the absence of any evidence from the applicant, the section 30(e) ground of opposition was successful.

[25] In *Beiersdorf*, the application listed hundreds of disparate goods ranging from industrial chemicals to oatmeal. The opponent was able to meet its initial evidential burden under section 30(e), at least for some goods, via evidence from both parties that the applicant was a producer of chemical/industrial ingredients rather than consumer or other "finished" products. The section 30(e) ground of opposition was successful in respect of the finished commercial products that had been listed in the application.

[26] As will be discussed further, below, I agree with the Applicant that the facts of the present case are readily distinguishable from the above three cases relied on by the Opponent.

Application of the Law to the Facts

[27] In this case, there are essentially four branches to the Opponent's section 30(e) ground of opposition, which are set out in its statement of opposition and are summarized at paragraphs 18 to 20 and 33 to 34 of the Opponent's written

representations. In particular, the Opponent asserts that the Applicant did not intend to use the Mark for the following reasons:

- 1) the Application specifically claims "The term 'nhow' is 'purple'" but the Applicant did not intend to depict the Mark in the colour purple;
- the Applicant did not intend to depict the Mark on its own, but instead in combination with the phrase "elevate your stay";
- 3) the Applicant could not have intended to use the Mark in association with *all* of the services listed in the Application; and
- 4) the Applicant did not intend to use the Mark *in Canada*.

[28] For each of these branches of the section 30(e) ground of opposition, the Opponent relies on aspects of the MacKinnon Affidavit. As noted above, Ms. MacKinnon is an investigator and her affidavit includes the results of various searches which she conducted regarding the activities of the Applicant.

[29] The MacKinnon Affidavit indicates that the Applicant operates multiple hotels in various countries, including hotels located in London, Milan and Berlin. Many of the exhibits to the affidavit are printouts of archived webpages (from shortly before and after the Application filing date) and social media entries relating to the Applicant's operation of these hotels.

[30] For the reasons set out below, I reject each branch of the Opponent's section 30(e) ground of opposition because the Opponent has failed to meet its initial evidential burden.

Intention to use the Mark in purple

[31] With this branch of the section 30(e) ground of opposition, the Opponent's relies on the fact that Ms. MacKinnon located numerous instances of the Applicant depicting the trademark NHOW, but never with the letters in the colour purple as is claimed in the Application. The Opponent argues that the Applicant's pattern of depicting the trademark NHOW in colours other than purple is sufficient to raise a doubt as to whether the Applicant intended to depict the Mark in the colour purple as of the Application filing date. I do not consider that argument to have merit and I reject it.

[32] The Opponent has put into evidence multiple examples of the Applicant's depiction of the trademark NHOW in the same font style as in the present Application. Some examples from the MacKinnon Affidavit are shown below.



[33] In the above examples from the MacKinnon Affidavit, the trademark NHOW is depicted in a variety of colour combinations, including white font on a red background, black font on a white background, and white font on a purple background.

[34] Based on these facts, I see no reason to infer that the Applicant did not intend to use the Mark in the colour purple as claimed in the Application. To the contrary, the MacKinnon Affidavit demonstrates that the Applicant depicts its trademark NHOW in a variety of colour combinations.

[35] The present case is dissimilar to *Green Spot*, in which there was positive evidence that spoke to specific facts regarding the applicant's relationship with the opponent and consequent lack of intention to use the applied-for trademark. Here, the Opponent is asking the Registrar to draw a negative inference as to intention based on the Applicant's depiction of the trademark NHOW in ways that are very similar in appearance to that claimed in the Application. I see no reason to do so.

[36] In short, even considering the light initial evidential burden on the Opponent under section 30(e), in my view, there is nothing in the MacKinnon Affidavit which could reasonably be read as indicating a lack of intention on the part of the Applicant to depict the Mark in purple as claimed in the Application. Consequently, this branch of the Opponent's section 30(e) ground of opposition is rejected as the Opponent has not met its initial evidential burden.

Intention to use the Mark without the phrase "elevate your stay"

[37] With this branch of the section 30(e) ground, the Opponent argued that the Applicant did not intend to use the NHOW component on its own as claimed in the Application, but rather the Applicant intended to use a different trademark, namely, "nhow elevate your stay". For example, set out below is a representative example from the MacKinnon Affidavit:



[38] I note that this branch of the section 30(e) ground of opposition was withdrawn by the Opponent's counsel at the outset of the hearing. However, given that this branch was pleaded and addressed in some detail in the Opponent's written representations, I think it warrants my stating that I would have rejected this branch as well. First, I consider the above depiction to constitute use of the trademark NHOW on its own. It is well established that multiple trademarks can be used together [see *Allen Ltd v Warner*-

Lambert Canada Inc (1985), 6 CPR (3d) 270 (FCTD)], and given the larger font and placement of the NHOW component above the phrase "elevate your stay" I am satisfied that NHOW would be perceived as a trademark in its own right. Second, even if I were incorrect on the first point, the above depiction does not constitute evidence that the Applicant did not intend to use the trademark NHOW in the particular manner claimed in the Application. The MacKinnon Affidavit demonstrates a variety of different depictions of the trademark NHOW both on its own and in conjunction with the word "hotels" or the phrase "elevate your stay". Far from suggesting an absence of intention by the Applicant to use the Mark, the MacKinnon Affidavit demonstrates that the Applicant depicts the trademark NHOW in a variety of ways.

Intention to use the Mark in association with all of the services

[39] With this branch of the section 30(e) ground of opposition, the Opponent asserts that the Applicant could not have intended to use the Mark in association with *all* of the services listed in the Application, because the scope of those services is unreasonably wide and inconsistent with the Applicant's existing business.

[40] In this regard, the Opponent relies on evidence from the MacKinnon Affidavit in which Ms. MacKinnon conducted an online and telephone investigation of the Applicant's business activities in other countries. Notably, the Opponent appears satisfied that the Applicant does provide many services listed in the Application in other countries; however, the Opponent contends that there was no evidence that the Applicant did not intend to use the Mark in association with those services (as listed at para 67 of the Opponent's written representations):

a) "services for providing food and drink, namely ... concession stands";

b) "temporary accommodation namely ... providing temporary boarding-house accommodations, providing temporary tourist home accommodations, rental of rooms as temporary living accommodations, providing temporary campground accommodations";

c) "accommodation agencies (hotels, boarding-houses) namely agency services for booking ... tourist homes, boarding houses and rooms as temporary living accommodations";

d) "rental of temporary accommodation namely rental of apartments, ... tourist homes and rooms as temporary living accommodations";

e) "rental of cookware, barbecues, household and kitchen appliances";

- f) "rental of tents";
- g) "rental of portable buildings";
- h) "rental of drinking water dispensers";
- i) "rental of meeting rooms";
- j) "rental of ... glassware";
- k) "tourist homes namely, reservation of tourist homes";
- I) "providing campground facilities";
- m) "day-nurseries [crèches]";
- n) "motels";
- o) "boarding house bookings";
- p) "animal boarding";
- q) "retirement homes";
- r) "cafeterias"; and,
- s) "canteens namely canteen services".

[41] I disagree with the Opponent that the MacKinnon Affidavit constitutes evidence of an absence of intention to use the Mark in association with the above services. The MacKinnon Affidavit suggests that the Applicant operates multiple hotels in different jurisdictions and I do not consider any of the services listed above to be inherently or necessarily outside the realm of possibility for such a business. [42] In this regard, I do not consider the circumstances of this case to be similar to those in *Schwauss* where the applicant attempted to list 'every conceivably imagined product'. Similarly, I do not consider the facts of this case to be equivalent to those in *Beiersdorf*, where certain goods were so totally disconnected from the business of the applicant as to raise doubts as to the applicant's intention.

[43] Therefore, this branch of the Opponent's section 30(e) ground of opposition is also rejected.

Intention to use the Mark in Canada

[44] With this branch of the section 30(e) ground of opposition, the Opponent argues that because the evidence indicates that the Applicant is not yet operating in Canada, and has not yet publicly announced an intention to operate in Canada, this suggests the Applicant did not intend to use the Mark in Canada in association with any of the listed services as of the Application filing date. In this regard, the Opponent relies on Ms. MacKinnon's statement at paragraph 41 of her affidavit that she visited the "Coming Soon" page of the Applicant's website which she states listed locations in cities including Santiago de Chile and Roma. The Opponent argues that the absence of any Canadian locations on this "Coming Soon" page indicates that the Applicant did not intend to use the trademark in Canada.

[45] I reject the Opponent's position with respect to this final branch of its section 30(e) ground of opposition. A party is under no obligation to have publicly announced via advertising an intention to use a trademark in Canada in order to justify an application based on intent-to-use. In the present case, the absence of evidence of such a public announcement is not sufficient to cast doubt on the Applicant's intention to use the Mark in Canada as of the filing date. Therefore, this fourth branch of the section 30(e) ground of opposition is rejected.

DISPOSITION

[46] Pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(12) of the Act.

Timothy Stevenson Member Trademarks Opposition Board Canadian Intellectual Property Office

SCHEDULE A

Application No. 1,822,077 for NHOW Design

Services for providing food and drink namely catering of food and drinks, food concession stands and restaurant and bar services; temporary accommodation namely providing temporary hotel accommodations, providing temporary boarding-house accommodations, providing temporary tourist home accommodations, rental of rooms as temporary living accommodations, providing temporary campground accommodations; accommodation agencies (hotels, boarding-houses) namely agency services for booking hotels, tourist homes, boarding houses and rooms as temporary living accommodations; rental of temporary accommodation namely rental of apartments, offices, tourist homes and rooms as temporary living accommodations; rental of cookware, barbecues, household and kitchen appliances; rental of tents; rental of portable buildings; rental of drinking water dispensers; rental of meeting rooms; rental of chairs, tables, table linen, glassware; tourist homes namely, reservation of tourist homes: providing campground facilities: day-nurseries [crèches]; hotels; motels; room reservation services; hotel reservations; boarding house bookings; animal boarding; retirement homes; self-service restaurants; bar services; snack-bars; cafeterias; catering services for the provision of food; canteens namely canteen services

Appearances and Agents of Record

HEARING DATE: 2023-01-24

APPEARANCES

For the Opponent: Michael Shortt

For the Applicant: Michael O'Neill

AGENTS OF RECORD

For the Opponent: Fasken Martineau DuMoulin LLP

For the Applicant: Marks & Clerk