



Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2023 TMOB 005

Date of Decision: 2023-01-18

IN THE MATTER OF A SECTION 45 PROCEEDING

Requesting Party: DJB

Registered Owner: The Little Brown Box Pizza, LLC

Registration: TMA929,431 for PIEOLOGY

INTRODUCTION

[1] This is a decision involving a summary expungement proceeding under section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) with respect to registration No. TMA929,431 for the trademark PIEOLOGY (the Mark).

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

(1) Pizza parlors; Restaurant services; Restaurant services featuring pizza, salads, side dishes and desserts; Restaurant services, including sit-down service of food and take-out restaurant services; Restaurant services, namely, providing of food and beverages for consumption on and off the premises.

(2) Restaurant services; restaurant services, namely, providing of food and beverages for consumption on and off the premises.

[3] For the reasons that follow, I conclude that the registration ought to be expunged.

PROCEEDING

[4] At the request of DJB (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act on July 28, 2020, to The Little Brown Box Pizza, LLC (the Owner), the registered owner of the Mark.

[5] The notice required the Owner to show whether the Mark was used in Canada in association with each of the 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 it was last in use and the reason for the absence of such use since that date. In this case, the relevant period for showing use is July 28, 2017 to July 28, 2020.

[6] The relevant definition of “use” in the present case is set out in section 4 of the Act as follows:

4(2) A trademark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.

[7] Where the owner has not shown “use”, the registration is liable to be expunged or amended, unless there are special circumstances that excuse the absence of use.

[8] In response to the Registrar’s notice, the Owner furnished an affidavit of Gregg Imamoto, sworn in California on April 2, 2021, to which were attached Exhibits A to J.

[9] Both parties submitted written representations and were represented at an oral hearing.

THE EVIDENCE

[10] Mr. Imamoto identifies himself as Chief Executive Officer of the Owner. He states that the Owner is a California-based business founded in 2011 operating an international chain of over 140 pizza restaurants worldwide. He further states that the Owner’s restaurants serve build-your-own pizzas alongside salads, side dishes and desserts in sit-down dining environments and through take-out services [para 2].

[11] Mr. Imamoto states that the Owner has extensively advertised its services in association with the Mark in Canada during the relevant period. In this respect, he states that the Owner has its own website located at *pieology.com*, and social media accounts, namely Twitter, Facebook, Instagram and DoorDash. Mr. Imamoto attests that the Owner's website and social media accounts were accessible to Canadians during the relevant period [paras 4 to 9].

[12] Mr. Imamoto further states that the Owner has been actively pursuing the expansion of its business to Canada for over five years. In particular, he attests that the Owner advertised to and sought out potential franchisees in Canada during the relevant period [paras 10 to 12].

[13] According to Mr. Imamoto, from the beginning of March 2020 and continuing on for the rest of the relevant period, the Owner encountered difficulties in attracting qualified Canadian franchisees due to the global Covid-19 pandemic and its related restrictions. Nevertheless, the Owner continued its efforts to pursue opportunities to offer its services in Canada. In this respect, he states that the Owner received an application on July 27, 2020, from a potential franchisee located in Alberta, and later on February 18, 2021, it received another application from a potential franchisee located in Ontario. Mr. Imamoto attests that the negotiations related to the first application were ultimately cut short following the death of the potential franchisee's investment partner. As for the negotiations related to the second application, he states that they were put on hold due to this potential franchisee's family issues. Finally, Mr. Imamoto states that the Owner continues to seek Canadian franchisees and has a serious intention to use the Mark in Canada [paras 13 to 16].

[14] In support, the following exhibits are attached to Mr. Imamoto's affidavit:

- Exhibit A: consists of three-page screenshots of the Owner's website *pieology.com*. Mr. Imamoto states that the screenshots are representative of how the Owner's website appeared during the relevant period. The Mark is displayed in a design format on the top of the screenshots. The screenshots show three out of five tabs, namely "Home", "Menu" and "Pie

Life Rewards” (the Rewards). The remaining tabs, namely “Locations” and “Our Story” are not included in the Imamoto affidavit. In the Rewards screenshot, while slightly blurred, I read that by ordering pizza with the Rewards application, the Owner’s customers can earn points towards free pizza with every purchase.

- Exhibits B, C, D and E: consist of several screenshots of the Owner’s Twitter, Facebook, Instagram and DoorDash accounts. Mr. Imamoto states that the screenshots are representative of how those accounts appeared during the relevant period. The Mark is displayed on the top of the screenshots. I note that there is no reference to a Canada restaurant location or to deliveries into Canada in the screenshots.
- Exhibit F: consists of a two-page news article from *Foodservice and Hospitality Magazine* (the News Article), dated February 3, 2016, prior to the relevant period. The article’s title is “Pieology is Bringing Its Artisanal Pizza to Canada”. At page 2, the article quotes the Owner’s founder who explains that the Owner plans to “have discussions” in the first quarter of 2016 and to open one or multiple locations “by the third quarter of 2016”.
- Exhibit G: consists of a 14-page article from *blogTO* dated December 20, 2015, prior to the relevant period, entitled “20 Restaurants We Want to See Come to Toronto in 2016”. “Pieology” appears in the fourth position of the author’s restaurants “wish list” for 2016.
- Exhibit H: consists of a 31-page brochure from the Owner. At paragraph 12 of his affidavit, Mr. Imamoto states that this brochure “was provided to potential franchisees *in Canada and elsewhere* during the relevant period” [*emphasis added*]. The Mark appears on most of the pages. I note that Canada does not appear among the countries listed in the “International Target / In-Progress Growth” section. Two other sections, namely “Operational Support” and “Tech”, appear on pages 87 and 88 of the brochure. In the Operational Support section, the first item is “Leadership Training”. I note that the Tech section lists acronyms, namely “APP”, “CRM” and “UNOAPP”, that are not explained by Mr. Imamoto.

- Exhibits I and J: consist of two copies of franchising applications dated July 27, 2020 and February 18, 2021, respectively. While the Mark is not displayed on the applications, Mr. Imamoto states that they correspond to applications submitted for a restaurant location under the Mark in Canada. I note that the emails' subject is "Franchise Application" and that both emails show that the applicants have addresses in Canada.

ANALYSIS AND REASONS FOR DECISION

Preliminary remarks: the present proceeding context

[15] As part of the Owner's representations, it notes that the Requesting Party is the agent of record of a pending application for the trademark PIEOLOGY for use with restaurants. However, the fundamental purpose of section 45 of the Act is to rid "deadwood" from the register and not to resolve contentious issues between competing commercial interests [see *Philip Morris Inc v Imperial Tobacco Ltd* (1987), 13 CPR (3d) 289 (FCTD); and *Saks & Co v Canada (Registrar of Trade Marks)* (1989), 24 CPR (3d) 49 (FCTD) at para 44]. As such, any submissions with respect to a separate trademark application, and any ensuing dispute, will not be considered.

The use of the Mark during the relevant period

[16] I first note that Mr. Imamoto's statements and the Owner's submissions are that the Mark was advertised in Canada during the relevant period.

The website screenshots and social media accounts

[17] Mr. Imamoto states that the Owner's website and social media accounts, "were accessible" to Canadians during the relevant period. However, he does not state that such website and accounts were actually accessed by Canadians during the relevant period. In this respect, it has been held that materials displaying the trademark must be "distributed to" or accessed by prospective customers in order to constitute advertising, [per *Cornerstone Securities Canada Inc v Canada (Registrar of Trade Marks)* (1994), 58 CPR (3d) 417 (FCTD)]. Although webpages and social media accounts are not the same as printed advertisements, in that they cannot be tangibly distributed in the same

way, they must still be “distributed to” or accessed by prospective customers in order to constitute advertising [see, for example, *Shift Law v Jefferies Group, Inc*, 2014 TMOB 277 at para 20; *Ridout & Maybee v Residential Income Fund LP*, 2015 TMOB 185 at paras 47 and 48]. In the present case, there is no statement from Mr. Imamoto as to the actual access of Canadians consumers to the Owner’s website and social media accounts. Furthermore, there is no evidence from which I can reasonably infer that Canadian consumers accessed them during the relevant period.

[18] Even if I were to accept that the Owner’s website and social media accounts were actually accessed by Canadians during the relevant period, I would not be satisfied that the Owner was offering and prepared to perform its services in Canada during the relevant period. In this respect, it is well established that the display of the trademark in the advertisement of the services is sufficient to satisfy the requirements of section 4(2) of the Act, from the time the owner of the trademark is willing and able to perform the services in Canada [*Wenward (Canada) Ltd v Dynaturf Co* (1976), 28 CPR (2d) 20 (TMOB)]. In the present case, although Canadians might obtain information related to the Owner’s restaurant services outside of Canada on its website and social media accounts, Mr. Imamoto has not indicated that the Owner was offering or prepared to perform any of the services advertised in these materials in Canada during the relevant period. Thus, given the nature of the registered services, I find the possibility to obtain information related to the services on the Owner’s website and social media accounts to be insufficient on its own.

[19] As noted above, the News Article and the article from the *blogTO* are both dated outside the relevant period; further, even if I were to accept that they constituted advertising of the Owner’s services, there is no suggestion that the Owner was offering or prepared to perform the services in Canada during the relevant period. In any event, the News Article provides information regarding the Owner’s possible timeline for the opening of at least one location in Canada.

The brochure addressed to potential franchisees in Canada

[20] Relying on *Markus Cohen Law Office v Cheesecake Factory Inc.* (2003), 29 CPR (4th) 277 [*Cheesecake Factory*], and on *Les Restaurants La Pizzaiolle Inc v Pizzaiolo Restaurants Inc*, 2013 TMOB 118 [*Pizzaiolo*], the Owner submits that “restaurant services” should be given a broad interpretation and that evidence of advertising with respect to services that are ancillary or incidental to “restaurant services” can be sufficient to establish the use of the Mark with respect to the registered services. In particular, the Owner submits that “franchising services” are ancillary to “restaurant services”. In this respect, it alleges that the brochure provided to potential franchisees constitutes evidence of the advertising of the registered services in Canada during the relevant period.

[21] As rightly observed by the Owner, the word "services" is not defined in the Act and it has been held that services should be given a broad and liberal interpretation and include those services which may be considered “incidental” or “ancillary” [*Kraft Ltd v Registrar of Trade Marks* (1984), 1 CPR (3d) 457 (FCTD) [*Kraft*]]. However, each case needs to be assessed on its own particular facts and the evidence must show that persons in Canada benefitted from these services during the relevant period [*Hilton Worldwide Holding LLP v Miller Thomson*, 2018 FC 895, aff'd 2020 FCA 134]; that is, there must be evidence of a tangible, meaningful benefit enjoyed in Canada from the ancillary services relied upon by the Owner [*Live! Holdings, LLC v Oyen Wiggs Green & Mutala LLP*, 2019 FC 1042 aff'd 2020 FCA 120].

[22] In the present case, the “franchising services” are not listed in the registration and Mr. Imamoto does not expressly state that the Owner is providing franchising services in Canada. Mr. Imamoto does not explain either how the advertising made through the brochure could amount to advertising of restaurant services or to advertising of services ancillary or incidental to restaurant services.

[23] At the hearing, the counsel for the Owner submitted that several previous steps to the provision of food, such as training franchisees, must be accomplished by a franchisor. In this respect, he submitted that the brochure provides examples of the

franchising services and referred to the “Operational Support” and to the “Tech” sections alleging that such support is provided to the franchisees and constitutes sufficient evidence. Further, he submitted that the fact that the Owner operates over 140 restaurants around the world demonstrates that the Owner was able and willing to provide franchising services in Canada.

[24] With respect to the *Pizzaiole* case cited by the Owner, while I acknowledge that the Registrar in *Pizzaiole* characterized the applicant’s applied-for “franchising services” as “ancillary to the Applicant’s restaurant services” in the context of that case, I do not agree with the Owner that this amounts to a general determination that franchising services will be ancillary to restaurant services for the purposes of sections 4(2) and 45 of the Act. In this respect, I note that the passage in question in *Pizzaiole* was in the context of whether overlap existed between the parties’ services or business pursuant to section 6(5)(c) of the Act, which is a different question than whether a trademark has been used in association with a service pursuant to section 4(2) of the Act. Moreover, in *Pizzaiole*, “franchising services” was listed in the applied-for services separately from “restaurant services” and the applicant had furnished evidence about the relationship between these services, which is not the case here. By contrast, the Registrar has found in the context of a section 45 case that advertising and provision of information about “franchisee application services” does not amount to use of a trademark in association with “restaurant services” within the meaning of section 4(2) [see 2277279 *Ontario Inc v Checkers Drive-In Restaurants Inc*, 2020 TMOB 19 at paras 10, 19-22].

[25] In the present case, I am not prepared to conclude that the advertising of the Mark in association with “franchising services” amounts to advertising of restaurant services or to advertising of services incidental or ancillary to restaurant services [see *Checkers Drive-In Restaurants, supra*]. In this regard, I agree with the Requesting Party that an ordinary understanding of the term “restaurant services”, would include, at a minimum, the provision of food and beverages, rather than steps prior to the opening of a location where such items will be provided [see *Pain & Ceballos LLP v Crab Addison, Inc.*, 2017 TMOB 158 at para 41].

[26] Finally, in the *Cheesecake Factory* case, relied upon by the Owner, the Registrar found that steps prior to the provision of food, such as working with a broker to explore Canadian sites for restaurants, do not amount to a service, ancillary or otherwise. Further, I note that although the evidence in that case included delivery of cakes to restaurants in Canada, such deliveries were found insufficient to maintain a registration for “restaurant services” [at paras 19-20].

[27] For all the reasons above, I am not satisfied that the Owner has demonstrated use of the Mark in association with the registered services within the meaning of sections 4(2) and 45 of the Act.

The special circumstances

[28] As the Owner has not demonstrated use of the Mark in Canada during the relevant period, the general rule is that absence of use will be penalized by expungement, but there may be an exception where the absence of use is excusable due to special circumstances [*Smart & Biggar v Scott Paper Ltd*, 2008 FCA 129 (*Scott Paper*)]. To determine whether special circumstances have been established, I first must determine why in fact the Mark was not used during the relevant period. Second, in case I determine that the reasons constitute special circumstances, I must still decide whether such special circumstances *excuse* the absence of use. This involves the consideration of three criteria: (i) the length of time during which the trademark has not been in use; (ii) whether the reasons for non-use were beyond the control of the registered owner; and (iii) whether there exists a serious intention to shortly resume use [per *Registrar of Trade Marks v Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 (FCA)].

[29] In the present case, the Owner submits that cumulative special circumstances excuse the absence of use. Those circumstances are three-fold.

[30] First, the Owner submits that establishing a restaurant franchise location is a substantial undertaking in Canada. At the hearing, the Requesting Party objected this submission on the ground that it was introducing new facts. I agree. The Owner’s written and oral representations include submissions related to the “inherently difficult process” of franchisees’ selection and the complicity of the related applicable

legislation, none of which are in evidence [Owner's written representations, paras 30a to 30f]. Accordingly, these submissions will be disregarded [see *Ridout & Maybee LLP v Encore Marketing International Inc* (2009), 72 CPR (4th) 204 (TMOB) for the general principle that facts not in evidence must be disregarded].

[31] Second, the Owner submits that Registrar has recognized the death of a partner as a special circumstance. However, each case must be assessed on its own facts. In the present case, Mr. Imamoto states that although the negotiations with the first potential franchisee in Canada “*were promising*”, they “*were ultimately cut short* following the death of his investment partner” [Imamoto affidavit, para 14, *emphasis added*]. Given that this application was filed the day before the end of the relevant period, and given that Mr. Imamoto's statements imply that negotiations progressed over time, I conclude that the death of the applicant's partner occurred after the end of the relevant period. As such, this factor does not explain why the Owner did not use the Mark during the relevant period.

[32] Third, the Owner submits that due to the pandemic, the relevant period was shortened, and that it did not have the benefit of the full three years in which to show use of the Mark in association with the registered services.

[33] Mr. Imamoto states that due to the pandemic, the Owner “encountered difficulties in attracting qualified Canadian franchisees” to offer its restaurant services [Imamoto affidavit, para 13]. In this regard, I note that Mr. Imamoto does not provide further details as to how the pandemic could affect the Owner's ability to attract Canadian franchisees, whether or not qualified. Further, while I agree that the pandemic undoubtedly caused disruption in the Owner's business, the pandemic only applies to a few months at the end of the relevant period, namely from March to July 2020. Therefore, the pandemic cannot be the reason that the Owner did not use the Mark during the majority of the relevant period. If there were specific reasons why the Owner could not have delivered its services in Canada until after March 2020, such reasons are not set out in the Owner's evidence. Accordingly, I am not satisfied that the pandemic was the reason for the absence of use of the Mark in Canada.

[34] Even if I were to accept that the absence of use was due to the pandemic, I would not be satisfied that such circumstances excuse the absence of use.

[35] As the Owner did not provide the date of last use of the Mark, I may consider the date of registration as the relevant date for purposes of assessing the length of non-use [see, for example, *Oyen Wiggs Green & Mutala LLP v Rath*, 2010 TMOB 34 [*Oyen Wiggs*]]. In the present case, the Mark was registered on February 19, 2016, which is more than one year and five months prior to the issuance of the notice. Therefore, the total length of time during which the Mark was not in use is four years and five months.

[36] With respect to the second criterion, which is essential for a finding of special circumstances excusing non-use [per *Scott Paper*], it has been held that circumstances beyond the control of the registered owner for part of the relevant period are not sufficient [per *Oyen Wiggs*]. Furthermore, as noted above, the pandemic does not explain the absence of use of the Mark from the registration date to March 2020. In this respect, I note that in the News Article dated in early 2016, the Owner's founder estimated one year, including the negotiations with any prospective franchisee, as the timeline to open one restaurant location in Canada [Exhibit F, page 2]. As such, the evidence is silent as to why not even a single application was filed and considered by the Owner within the four years preceding the beginning of the pandemic restrictions. Absent reasons explaining the absence of use for around four years, I cannot determine whether this delay was beyond the Owner's control. Therefore, I am not satisfied that the Owner has demonstrated circumstances that were beyond its control.

[37] Finally, Mr. Imamoto states that the Owner continues to search for Canadian franchisees and has a serious intention to use the Mark in Canada. However, it has been held that the mere intention to resume use is not satisfactory and must be substantiated by factual elements, such as a specific date of resumption [see *Lander Co Canada Ltd v Alex E Macrae & Co* (1993), 46 CPR (3d) 417 (FCTD) at para 15; *NTD Apparel Inc v Ryan*, 2003 FCT 780, 27 CPR (4th) 73 (FCTD); and *Arrowhead Spring Water Ltd v Arrowhead Water Corp* (1993), 47 CPR (3d) 217 (FCTD)]. In the present case, the Owner provides no time frame to commence use of the Mark in Canada.

Furthermore, while the Owner refers to two franchise negotiations, during and after the relevant period, both were unsuccessful. It has been held that negotiations or discussions with potential franchisees, without more, are insufficient to demonstrate serious intention to resume use [see *Canada Goose Inc v James*, 2016 TMOB 145 at para 47; and *2571011 Ontario Limited v Fig (Holding) SAL*, 2020 TMOB 143 at para 24]. As such, I am also not satisfied that the Owner has provided sufficient evidence to substantiate a serious intention to shortly resume use of the Mark.

[38] For all the reasons above, I am not satisfied either that the Owner has demonstrated special circumstances excusing non-use of the Mark within the meaning of section 45(3) of the Act.

DISPOSITION

[39] Accordingly, pursuant to the authority delegated to me under section 63(3) of the Act, and in compliance with the provisions of section 45 of the Act, the registration will be expunged.

Maria Ledezma
Hearing Officer
Trademarks Opposition Board
Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: 2022-12-02

APPEARANCES

For the Requesting Party: Jean-Faustin Badimboli

For the Registered Owner: Reed Taubner

AGENTS OF RECORD

For the Requesting Party: DJB

For the Registered Owner: Gowling WLG (Canada) LLP