



Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2023 TMOB 145

Date of Decision: 2023-08-17

IN THE MATTER OF A SECTION 45 PROCEEDING

Requesting Party: Empire Communities Corp.

Registered Owner: Hoover Services Inc.

Registration: TMA513,952 for THE EMPIRE LANDMARK

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. TMA513,952 for the trademark THE EMPIRE LANDMARK (the Mark). The registration covers the following services: Hotel, room reservation and hospitality services, namely, providing hotel room accommodation, restaurant, conference and convention facilities. The registered owner is Hoover Services Inc. (the Owner)

[2] For the reasons that follow, I find that the registration ought to be expunged in its entirety.

PROCEEDING

[3] At the request of Empire Communities Corp. (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act on March 24, 2021, to the Owner.

[4] The notice required the Owner to show whether the Mark was used in Canada in association with 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 March 24, 2018 to March 24, 2021.

[5] The relevant definition of “use” is set out in section 4(2) 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.

[6] 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 trademark in association with each of the goods and services specified in the registration during the relevant period [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)]. With respect to services, the display of a trademark on advertising is sufficient to meet the requirements of section 4(2) when the trademark owner is willing and able to perform those services in Canada [*Wenward (Canada) Ltd v Dynaturf Co* (1976), 28 CPR (2d) 20 (TMOB)].

[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 filed the affidavit of Joseph Woo Wei Chun sworn in Hong Kong on October 21, 2021 (the Chun Affidavit).

[9] Both parties submitted written representations. Only the Owner participated in the hearing.

EVIDENCE

[10] Mr. Chun is the Group Financial Controller of the Asia Standard Hotel Group Limited (ASHG) and its subsidiaries. The Owner is a trademark holding company and wholly-owned subsidiary of the ASHG [paras 1 and 3].

[11] Mr. Chun describes that another related entity, Global Gateway Corporation (GGC), used to operate Vancouver's Empire Landmark Hotel, and that at all times via a license the Owner controlled the character and quality of all goods and services in relation to the display of the Mark in Canada [para 5].

[12] GGC operated the Empire Landmark Hotel in Vancouver, Canada from 1997 to September 30, 2017 in association with the Mark. The Empire Landmark Hotel was built in 1973 (then known as the Sheraton Landmark Hotel) located in downtown Vancouver at 1400 Robson Street. The hotel had 357 guestrooms, 13,500 square feet of meeting and convention space, and three food and beverage outlets including a revolving restaurant and lounge on the tower rooftop. Mr. Chun states that, from 1997 to September 2017, the Mark was used in association with the services listed in the registration. For example, the Mark was prominently displayed on the hotel's signage and invoices, and on its website at *empirelandmarkhotel.com* since at least as early as 2004. Exhibit WWCJ-3 to the Chun Affidavit provides examples of the display of the Mark on the website in July 2017 and December 2004 [paras 8 and 9].

[13] In September 2017, the Empire Landmark Hotel ceased its operations and another related entity of the Owner entered into an agreement to acquire the rights to redevelop the site with plans to build a residential project for sale. A further related company was appointed to deal with the demolition of the hotel and construction of the new development on the same site [para 10]. Exhibit WWCJ-4 to the Chun Affidavit is a

video compilation of the demolition of the hotel and part of the construction of the new development.

[14] The new development is known as “Landmark on Robson” and as of the date of the Chun Affidavit it was still in the stages of construction. Mr. Chun states that construction is expected to be completed in 2023 [para 11]. Exhibit WWCJ-5 includes reproductions from the website *landmarkonrobson.com* advertising the new development.

[15] The concept of the redevelopment was to create a three-storey podium which will link two residential towers. Mr. Chun states that, in addition to having residential units, the complex will also feature retail space, offices, a clubhouse with full club house services which intend to provide restaurant and catering services within the club house area. These services will be provided at the lower levels of the two towers and Mr. Chun states that the clubhouse will be named “The Empire Landmark”. He indicates that the management has chosen to retain use of the name and the Mark given that the brand has sentimental meaning to the local community and given the number of years which it took to build the brand [para 12].

[16] Mr. Chun states that, given that the Covid pandemic decimated the property industry as well as the economy generally in Canada, it has been decided that the company will wait for the economy to recover before it starts to aggressively market the Landmark on Robson. Mr. Chun states that the management intends to use the above-referenced video compilation as part of its marketing campaign in the future so prospective buyers understand that “The Empire Landmark” brand will continue in a new form from that used before and, instead of being linked to hotel services, will now be used with the luxury condominium complex [para 13].

[17] Mr. Chun states that, had it not been for the Covid pandemic, it was expected that the presale campaign for Landmark on Robson would have been conducted in the last two years in association with the Mark, and that it has always been the Owner’s intention that the Mark would continue to be used for this new development [para 14].

ANALYSIS

[18] There is no dispute that use of the Mark in association with the registered services ceased in September 2017 when the hotel was demolished and that use of the Mark did not take place during the relevant period. Thus, this case involves solely a consideration of whether there were special circumstances pursuant to section 45(3) of the Act which excuse the absence of use. As stated by the Federal Court of Appeal in *Smart & Biggar v Scott Paper Ltd*, 2008 FCA 129 at para 22, 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.

[19] The framework for analyzing special circumstances was summarized by the Registrar in *BenefitHub, Inc v Frontline Centre Inc*, 2021 TMOB 233, 191 CPR (4th) 208 at paras 14-18 as follows:

14 To determine whether special circumstances have been established, the Registrar must first determine, in light of the evidence, why in fact the trademark was not used during the relevant period. Second, the Registrar must determine whether these reasons for non-use constitute special circumstances [per *Registrar of Trade Marks v Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 (FCA)]. The Federal Court has held that special circumstances mean circumstances or reasons that are "unusual, uncommon, or exceptional" [*John Labatt Ltd v Cotton Club Bottling Co* (1976), 25 CPR (2d) 115 (FCTD) at para 29].

15 If the Registrar determines that the reasons for non-use constitute special circumstances, the Registrar must still decide whether such special circumstances excuse the period of non-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 *Harris Knitting Mills*].

16 The relevance of the first criterion is apparent, as reasons that may excuse a brief period of non-use may not be sufficient to excuse an extended period of non-use; in other words, the reasons for non-use will be weighed against the length of period of non-use [per *Harris Knitting Mills*].

17 All three criteria are relevant but satisfying the second criterion is essential for a finding of special circumstances excusing non-use [*Smart & Biggar v Scott Paper Ltd*, 2008 FCA 129].

18 The intention to shortly resume use must be substantiated by "a sufficient factual basis" [*NTD Apparel Inc v Ryan* (2003), 27 CPR (4th) 73 (FCTD)].

[20] The Owner's position is that the facts described in the Chun Affidavit constitute special circumstances which excuse the absence of use of the Mark. First, the Owner argues that the length of time the Mark was not in use was very short, as the Mark was last used in September 2017 before the hotel was demolished. Second, the Owner argues that the impact of the pandemic on the real estate market and economy generally were circumstances beyond its control that delayed the construction of the new development and prevented the use of the Mark during the relevant period. Finally, the Owner argues that it has demonstrated a serious intention to shortly resume use of the Mark.

[21] The Requesting Party contends that there are no special circumstances which excuse the absence of use, because the Owner made a business decision to demolish the hotel prior to the pandemic and replace it with a different type of building that would no longer offer hotel services, and further that the Owner has not demonstrated a serious intention to shortly resume use in association with any of the registered services.

[22] When considering the test for special circumstances in this case, based on the evidence of record, in my view, it is useful to categorize the registered services into two groups. The first group is "Hotel, room reservation and hospitality services, namely, providing hotel room accommodation, [...] conference and convention facilities" which I will refer to collectively as the Hotel Services. The second is "providing [...] restaurant [...] facilities" which I will refer to as the Restaurant Services.

[23] Also, I note that the Chun Affidavit refers to numerous corporate entities related to the Owner that engaged in different activities in respect of the prior hotel and new residential development. Given that the Chun Affidavit specifies that at all times it was the Owner that controlled the character and quality of any goods and services provided in association with the Mark in Canada, for ease of reference in the analysis below I will refer simply to the Owner rather than distinguishing between the various corporate entities.

Hotel Services

[24] With respect to the Hotel Services, the Owner does not satisfy the test for special circumstances. Even if I were to stipulate certain aspects of the analysis in the Owner's favour (for example, that the period of non-use was not especially long), in my view, at a minimum, the reasons for non-use of the Mark in association with the Hotel Services were not beyond the control of the Owner and I am not satisfied that there is a serious intention to shortly resume use of the Mark in association with the Hotel Services.

[25] The evidence indicates that the Owner made the business decision to demolish the hotel in September 2017 and there is no indication in the evidence that the Owner has any intention of resuming use of the Mark in association with the Hotel Services. Instead, the evidence indicates that the Owner decided to replace the hotel with a residential condominium complex under a different trademark, namely, LANDMARK ON ROBSON. There is no suggestion by the Owner that display of the trademark LANDMARK ON ROBSON constitutes use of the Mark, nor would such an argument have been persuasive. The Chun Affidavit makes no reference to the new residential development including any hotel, conference or convention facilities, and I am not prepared to read the description of the new development's "retail space, offices, a clubhouse" as constituting any of the Hotel Services. If the Owner intended to offer hotel, conference or convention facilities as part of the new development, it could have plainly described facts to that effect in the Chun Affidavit, and it did not. Indeed, as noted by the Requesting Party, the Chun Affidavit expressly distinguishes between the services offered by the prior hotel and those to be offered by the new residential development at paragraph 13, where Mr. Chun states that the "[...] brand will continue in a new form from that used before and instead of being linked to hotel services will now be used with the luxury condominium complex" [emphasis added].

[26] In these circumstances, it is apparent that the reason the Mark was not used in association with the Hotel Services during the relevant period was not due to the length of time it takes to demolish and construct a large building, or the impact of the pandemic on the real estate market and economy generally; instead, the reason was that the

Owner decided to construct a new building for different purposes than the Hotel Services.

[27] In view of the above, with respect to the Hotel Services, I do not consider the reasons for non-use of the Mark during the relevant period to be beyond the control of the Owner, nor do I consider there to be a serious intention to shortly resume use. Consequently, I conclude that there is no evidence of special circumstances to excuse the absence of use of the Mark in association with the Hotel Services, and that these services must be struck from the registration.

Restaurant Services

[28] With respect to the Restaurant Services, the use of the Mark similarly ceased in 2017 when the prior hotel was demolished, and the analysis is much the same as set out above, except for one factual difference. In particular, the Chun Affidavit states that the new residential condominium complex “will also feature retail space, offices, a clubhouse with full club house services which we intend to include the provision of restaurant and catering services within the club house area [...] and the club house will be named ‘The Empire Landmark’”. Thus, the Owner has indicated an intention to resume use of the Mark in association with the provision of restaurant facilities.

[29] However, a mere indication of intention to resume use of a trademark, alone, is not sufficient to constitute special circumstances to justify the maintenance of a registration where a trademark has not been used during the relevant period [see *Scott Paper, supra*, at para 28]. Further, in *NTD Apparel Inc v Ryan* (2003), 27 CPR (4th) 73 (FCTD), the Federal Court noted that an intention to shortly resume use must be substantiated by factual elements such as purchase orders or, at least, a specific date of resumption. In *McCain Foods Ltd v Chef America Inc* (1996), 71 CPR (3d) 103 (TMOB), a case relating to goods rather than services but relied on by the Owner, on the issue of intention to resume use, the registered owner was able to provide evidence of market research, an internal memorandum, a proposed timetable, and translated packaging all speaking to the owner’s intention to launch a product in Canada.

[30] In my view, I do not have evidence in this case comparable to that discussed in the cases above, which would be sufficient to make a finding of serious intention to shortly resume use of the Mark in association with the Restaurant Services. Although Mr. Chun states that the clubhouse will be named “The Empire Landmark”, I note that the exhibited promotional materials do not appear to support that statement, as they instead discuss the new development’s amenities such as “private dining room with catering kitchen” under the heading CLUB ROBSON (see pages 22-23 of Exhibit WW CJ-5). Further, beyond the general statement that construction of the new development is expected to be completed in 2023, there is no statement in the Chun Affidavit as to when specifically the Owner would be willing and able to offer the Restaurant Services. Consequently, I am left in the dark by the evidence as a whole as to whether there exists a serious intention on the part of the Owner to shortly resume use of the Mark in association with the Restaurant Services.

[31] In addition, even if I am wrong on the issue of the serious intention to shortly resume use, I am not persuaded that the reasons for the non use of the Mark in association with the Restaurant Services during the relevant period were beyond the control of the Owner as a result of the pandemic. As discussed above, it was a decision by the Owner made well prior to the commencement of the pandemic to cease use of the Mark in September 2017 when it demolished the prior hotel which contained a restaurant. In my view, the evidence of record does not demonstrate that but for the pandemic the use of the Mark in association with the Restaurant Services would have taken place during the relevant period. Instead, the Chun Affidavit states at paragraph 14, “had it not been for the Covid pandemic it was expected that the presale campaign for Landmark on Robson would have been conducted in the last two years in association with the Mark”. I do not take that statement to mean that but for the pandemic, the new development would have been completed and the Owner would have been willing and able to offer the Restaurant Services in association with the Mark during the relevant period. Instead, at best for the Owner, the Chun Affidavit indicates that were it not for the pandemic the Owner would have started a “presale campaign” during the relevant period in which it would have displayed the Mark. However, that alone would not have constituted use of the Mark in association with the Restaurant

Services under section 4(2) of the Act, unless the Owner was actually willing and able to provide the Restaurant Services in Canada as part of the presale campaign, and there is no evidence to suggest that would have been the case.

[32] In short, with respect to the Restaurant Services, at a minimum, I am not satisfied that the Owner has demonstrated that the non-use of the Mark during the relevant period was beyond the control of the Owner, nor am I satisfied that there is serious intention to shortly resume use. Therefore, the registration will be expunged for the Restaurant Services as well.

DISPOSITION

[33] 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.

Timothy Stevenson
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: 2023-05-16

APPEARANCES

For the Requesting Party: No one appearing

For the Registered Owner: Melissa Binns

AGENTS OF RECORD

For the Requesting Party: MacBeth Law

For the Registered Owner: Gowling WLG (Canada) LLP