

SECTION 45 PROCEEDINGS
TRADE-MARK: LES RESTAURANTS DU MARCHE
REGISTRATION NO: TMA 223,707

At the request of Odutola Professional Corporation (the “requesting party”) the Registrar forwarded a notice under section 45 of the *Trade-marks Act* on April 13, 2005 to Cara Operations Limited, the registered owner of registration No. TMA 223,707 for the trade-mark LES RESTAURANTS DU MARCHE. The Mark is registered in association with “restaurant services”.

Section 45 of the *Trade-marks Act*, R.S.C. 1985, c. T-13, 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 wares and/or services listed on 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 use since that date. In this case, the relevant period for showing use is any time between April 13, 2002 and April 13, 2005.

What qualifies as use of the trade-mark in respect of services is defined in ss. 4(2) of the Act, which states:

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.

In response to the Registrar’s notice, the Registrant furnished the affidavit of Martin Doyle. Each party filed a written submission. However, an oral hearing was not conducted.

In his affidavit, Mr. Doyle states that he is Senior Director of Procurement of Compass Group Canada. He explains that in December 2000, Compass Group Canada purchased Beaver Foods Limited, a licensee of the subject trade-mark. He further states that from 1994 to March 2004, he was Regional Vice President of Operations of Beaver Foods Limited. He specifies that he is and has been closely involved with the conduct of the

restaurant and food service businesses operated by Beaver Foods Limited. In his capacity as Vice President of Operations he was responsible for the operation of the food court restaurant service at Carleton University, which operated under the trade-mark LES RESTAURANTS DU MARCHE. He further states that he makes the affidavit from his own knowledge and experience or from company files and records to which he has access.

In paragraph 2 of his affidavit, he explains that Beaver Foods Limited was formerly a subsidiary of the Registrant, licensed by the Registrant to use the subject mark. He further explains that subsequent to the purchase of Beaver Foods Limited by Compass Group Canada in December 2000, said license agreement continued. Attached as Exhibit “A” to this affidavit is a copy of the license agreement between Beaver Foods Limited and the Registrant, dated May 19, 1995.

In paragraph 3 of the affidavit, Mr. Doyle states, “Beaver Foods Limited began to use the LES RESTAURANTS DU MARCHE trade-mark in connection with its operation of a food court restaurant service at Carleton University in Ottawa as early as 1995.” He further describes that such operation “included a salad bar, a Chilean pasta bar, a coffee outlet, a cold beverage outlet, a dessert outlet, a grill, a deli and a table/seating area.”

Lastly, in paragraph 4, he explains that the subject trade-mark was prominently displayed on signage used at this food court restaurant to which ownership of the trade-mark was also displayed as follows: “A trade-mark of Cara Operations Limited used under license.”

The last two sentences of this paragraph read as follows:

Attached hereto as Exhibit “B” to this my affidavit are photocopies of photographs of such signage which have been taken from the files of my Company and which I am advised and verily do believe were taken on or about May 25, 1995. These photographs accurately show the particular signage that was continuously on display at the Carleton University food court restaurant from that time until at least May 2003.

The requesting party argues that the Registrant has failed show use of the Trade-mark as contemplated by the Act. In this regard, it argues that the Registrant has failed to submit

any evidence attesting to the advertisement and availability of the services associated with the subject mark during the relevant period. It submits that for there to be use of services under s. 4 of the Act, the services must be advertised in association with the mark *and* be available to be performed in Canada. In support of this assertion, it relies on the decisions in *Express File Inc. v. HRB Royalty Inc.* (2005), 39 C.P.R. (4th) 59 and *Wenward (Canada) Ltd. v. Dynaturf Co.* (1976), 28 C.P.R. (2d) (R.T.M.).

The requesting party has also brought forth arguments concerning the admissibility of the evidence adduced. In particular, it submits that the evidence furnished under Exhibit “B” (the photocopies of photographs of restaurant signage) and the last two sentences of paragraph four of the affidavit attest to facts not within the personal knowledge of the affiant. Furthermore, it submits that as Mr. Doyle fails to disclose the source and grounds of his knowledge and belief, such evidence constitutes inadmissible hearsay evidence.

In any event, the requesting party argues that any alleged use does not enure to the benefit of the Registrant. In this regard, it has not only challenged the adequacy of quality control provisions contained in the license agreement (Exhibit “A”), but has also argued that the affidavit has failed to establish that said agreement was in effect during the relevant period.

Regarding the requesting party’s submissions in respect of the admissibility of the evidence furnished under Exhibit “B”, I note that Mr. Doyle clearly states “these photographs accurately show the particular signage that was continuously on display at the Carleton University food court restaurant from that time until at least May 2003.” That being so, I am prepared to accept that this Exhibit has been furnished as *representative* of the manner in which the trade-mark was displayed during the relevant period and that Mr. Doyle based *this* statement on personal knowledge. Due to the responsibilities associated with his position at that time as Vice President of Operations, one can reasonably infer and would expect, that he would hold such personal knowledge [see *MacDonald v. Vapor Canada Ltd.* (1972), 6 C.P.R. (2d) 204 (F.C.T.D.)]. Furthermore, as he has clearly stated that he is making the affidavit based on his own

knowledge and experience or from company files and records to which he has access, I am satisfied that this statement was based upon Mr. Doyle's personal knowledge of such matters.

However, having considered the evidence, I agree with the requesting party's argument that the affidavit does not provide any clear evidence that the services were performed or were available to be performed during the relevant period. Mr. Doyle's statement that "Beaver Foods Limited began to use the LES RESTAURANTS DU MARCHE trade-mark in connection with its operation of a food court restaurant service at Carleton University in Ottawa as early as 1995", is ambiguous with respect to performance of the services during the relevant period. Although the affiant has indicated that the subject mark was displayed continuously from the period on or about May 25, 1995 until at least May 2003, in a manner akin to that shown in Exhibit "B", he has failed to provide any evidence or a clear statement that the services were performed or were available to be performed during the relevant period. As such, I find that I must interpret this ambiguity against the Registrant [see *Plough (Canada) Ltd. v. Aerosol Fillers Inc.*, 45 C.P.R. (2d) 194].

It is well established in the jurisprudence that "use" in respect of services, as contemplated by ss. 4(2) of the Act, requires, at the very least, that the services must be available to be performed in Canada [see *Porter v. Don the Beachcomber* (1966), 48 C.P.R. 280 (Ex.Ct.) and *Bedwell Management Systems Inc. v. Mayflower Transit, Inc.* (1999), 2 C.P.R. (4th) 543]. I cannot say that the evidence in the present case clearly establishes such "use". The mere display of a trade-mark and the display of a trade-mark *in the performance of services* are not equivalents.

The facts of the present case are clearly distinguishable from the case of *Borden & Elliot v. Cara Operations Ltd.* (1997) 82 C.P.R. (3d) 115, wherein the same mark at issue was the subject of Section 45 proceedings. In that case, clear, unambiguous statements of fact regarding use of the subject mark in the performance of services during the relevant period were provided. The Federal Court of Appeal decision in *Central Transport, Inc. v*

Mantha & Associes/Associates (1995), 64 C.P.R. (3d) 354 can be similarly distinguished. In the present case, as previously stated, the affidavit is ambiguous as to whether the services were actually performed or available to be performed during the material time period.

As I have concluded that the Registrant has failed to establish that the trade-mark was used in the performance of services during the relevant time period in the manner required by the Act, I need not decide as to whether such use accrued to the benefit of the Registrant. I would comment however, that although the affidavit does not precisely state that the license agreement furnished under Exhibit “A” was in effect during the relevant period, the representative signage shown in Exhibit “B”, stated to have been displayed in such a manner until at least May 2003, not only identifies the owner as Cara Operations Limited (the Registrant), but also clearly indicates that the any use of the subject mark is licensed use. As public notice was given of the fact that any use of the trade-mark was licensed use and of the identity of the owner, in accordance with ss.50(2) of the Act, control over the character and quality of the wares would be presumed [see *Well’s Dairy Inc. v. U.L. Canada Inc.* (2000), 7 C.P.R. (4th) 77 (F.C.T.D.)].

Although the threshold for establishing use in a s. 45 proceeding is quite low (*Woods Canada Ltd. v. Lang Michener* (1996), 71 C.P.R. (3d) 477 (F.C.T.D.) at 480), and evidentiary overkill is not required in order to properly reply to a s. 45 notice, sufficient facts must still be provided to permit the Registrar to arrive at a conclusion of use of the trade-mark in association with the registered services during the relevant period. After considering the evidence, I find the Registrant has failed to meet the burden of proof to demonstrate “use” in order to maintain the trade-mark on the register.

In view of the above, Registration No. 223,707 will be expunged in compliance with the provisions of Section 45(5) of the Act.

DATED IN GATINEAU, QUEBEC THIS 5TH DAY OF MARCH 2008.

Kathryn Barnett
Junior Section 45 Hearing Officer
Trade-marks Opposition Board