



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

Citation: 2015 TMOB 231
Date of Decision: 2015-12-23

IN THE MATTER OF A SECTION 45 PROCEEDING

Stikeman Elliott LLP

Requesting Party

and

**Millennium & Copthorne International
Limited**

Registered Owner

TMA767,593 for M HOTEL & Design

Registration

[1] At the request of Stikeman Elliott LLP (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 June 27, 2013 to Millennium & Copthorne International Limited (the Owner), the registered owner of registration No. TMA767,593 for the trade-mark M HOTEL & Design (the Mark). The Mark is shown below:



[2] The Mark is registered for use in association with “Hotel services and hotel reservation services”.

[3] The notice required the Owner to furnish evidence showing that the Mark was in use in Canada, in association with each of the services specified in the registration, at any time between June 27, 2010 and June 27, 2013. If the Mark had not been so used, the Owner was required to

furnish evidence providing the date when the Mark was last used and the reasons for the absence of use since that date.

[4] The relevant definition of use with respect to services is set out in section 4(2) of the Act as follows:

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.

[5] 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 trade-mark in association with each of the services specified in the registration during the relevant period.

[6] With respect to services, the display of a trade-mark on advertising is sufficient to meet the requirements of section 4(2) when the trade-mark owner is offering and prepared to perform those services in Canada [*Wenward (Canada) Ltd v Dynaturf Co* (1976), 28 CPR (2d) 20 (TMOB)].

[7] In response to the Registrar's notice, the Owner furnished the affidavit of Sheila Murugasu, sworn on January 9, 2014 in Singapore and the affidavit of Peterson Eugenio, sworn on January 24, 2014 in Toronto, Ontario. Both parties filed written representations; an oral hearing was not requested.

The Owner's Evidence

[8] In her affidavit, Ms. Murugasu identifies herself as in-house legal counsel of Hong Leong Management Services Pte Ltd. She explains that Hong Leong Management is a part of the Hong Leong Investment Holdings Group, which includes Millennium & Copthorne Hotels plc (M&C) and its subsidiary, the Owner. She attests that the Owner operates the M Hotel in Singapore, and

that the Mark is displayed on hotel signage. Additionally, she attests that the Mark is registered in 65 countries around the world. She attests that M&C is licensed to use the Mark in Canada and elsewhere and that, under the terms of the license, the Owner has direct or indirect control of the character or quality of the services performed in association with the Mark.

[9] Ms. Murugasu emphasizes that the M Hotel is located in the heart of Singapore's financial district, close to major tourist attractions and shopping districts, such that it is "a logical destination for Canadians and global business travellers".

[10] Notwithstanding the M Hotel's physical location, Ms. Murugasu asserts that "hotel services" were provided to customers in Canada by way of the following related services: organizing and booking banquets, events, and conferences; planning meetings; reserving office suites; reserving child care and children's services; making restaurant reservations; reserving shuttle services; booking tours and visits to tourist attractions; and booking spa services.

[11] Ms. Murugasu attests that M&C advertised the registered services through its website, which Canadians accessed. She explains that, during the relevant period, the M&C website received "454,200 visits emanating from Canada" of which "334,600 [were] unique visitors, resulting in excess of 2,285,700 page views".

[12] In support, she provides various printouts from the M&C website at Exhibits B, C, D and E to her affidavit. The exhibited webpages provide information about the M Hotel and advertise various services and amenities. The Mark is prominently displayed throughout the webpages.

[13] Also included at Exhibit D to her affidavit are various brochures, flyers, print advertisements, and printouts from social media advertising the M Hotel and its various services and amenities. The Mark is prominently displayed throughout.

[14] Ms. Murugasu attests that Canadian residents made reservations for their stays at the M Hotel online through the hotel's reservation website at *synxis.com*. In support, she attaches printouts from the hotel's reservation website as Exhibit J to her affidavit. She attests that customers can also phone an international reservation number for M Hotel. Attached as Exhibit K is a brochure from the M&C website that provides the reservation number "for the Americas (specifically for Canada, Puerto Rico, the United States, and the U.S. Virgin Islands)."

[15] Ms. Murugasu attests that, during the relevant period, “Canadian visitors made more than 13,400 bookings ... amounting to stays of more than 28,100 nights at the M Hotel, and generating revenues of more than CAD\$5,719,800”. In support, Ms. Murugasu furnishes extracts from the hotel’s reservation service database, as Exhibit L to her affidavit. She attests that the extracts show online reservation bookings with the M Hotel by Canadians during the relevant period.

[16] With respect to the second affidavit, Mr. Eugenio attests that he is a searcher employed by the agent of the Owner. He describes searches he conducted of the M&C website, searches of *archive.org* for a version of the M&C website as it appeared during the relevant period, and searches for third-party websites (such as *expedia.ca*, *hotels.travelocity.com*, *facebook.com*) relating to the M Hotel. Printouts of his search results are attached as Exhibits A to I of his affidavit. For example, Exhibit D contains a printout of the September 2, 2011 version of the M&C website showing the Mark and links to hotel features such as: Guest Rooms, Facilities and the M&C Loyalty Club.

Licensing

[17] In its written representations, the Requesting Party argues that there is no evidence that the Mark was used by the Owner or its licensees. In this respect, it submits that the Owner failed to provide a copy of a license agreement or any such documentation to demonstrate or support that M&C’s use of the Mark in Canada was licensed by the Owner. In addition, the Requesting Party argues that any display of the Mark on the third-party reservation website, *synxis.com*, is not use of the Mark in association with “hotel reservation services” that enures to the benefit of the Owner.

[18] However, I agree with the Owner that Ms. Murugasu’s statement of control is sufficient to establish the requisite control pursuant to section 50 of the Act [per *Empresa Cubana Del Tabaco Trading v Shapiro Cohen*, 2011 FC 102, 91 CPR (4th) 248 at paragraph 84]. With respect to the “third-party” reservation site, *synxis.com*, I accept that the reservation site is accessed through M&C’s website when booking a reservation. As such, I do not consider it relevant whether *synxis.com* is operated by M&C directly or by a third party. If operated by a third party, it is clearly acting as an agent of M&C in the booking and recording of reservations

for the M Hotel; as such, any display of the Mark on the reservation site enures to the benefit of the Owner.

[19] In any event, as discussed below, the Mark was otherwise clearly displayed in association with “hotel reservation services” in promotional materials and on M&C’s website during the relevant period.

Hotel Reservation Services

[20] With respect to “hotel reservation services”, the Requesting Party submits that such services “could not be performed anywhere in the world but Singapore as this is where the reservations for the M Hotel would be processed and the hotel stays completed”. Furthermore, the Requesting Party submits that there is no evidence that Canadians had access to, or used the online and telephone reservation services. Finally, the Requesting Party submits that the Owner did not furnish any invoices, financial statements, or any documentation to support the assertion that Canadians made bookings at the M Hotel during the relevant period.

[21] The Owner submits that “hotel reservation services” were available to Canadians through the M&C website using *synxis.com* and via the international reservation telephone number, noting that the Mark appeared on the associated webpages for the hotel’s reservation services. Furthermore, it submits that such hotel reservation services can be completed without the individual having to step foot outside of Canada.

[22] In view of the evidence as a whole, it is clear that Canadians made reservations through the M&C website, as well as through third-party travel booking websites, to stay at the M Hotel in Singapore during the relevant period. As such, I accept that the Mark would have been seen by Canadians in advertisements for the hotel and specifically in advertisements for making reservations. The present case is substantively similar to the Registrar’s decision in *Maillis v Mirage Resorts Inc*, 2012 TMOB 220, 107 CPR (4th) 298 [*Bellagio*], where it was found that the ability to make bookings from Canada was sufficient to support a registration in association with “hotel and casino reservation and booking services”.

[23] As such, I am satisfied that the Owner has demonstrated use of the Mark in association with “hotel reservation services” within the meaning of sections 4 and 45 of the Act.

Hotel Services

[24] In contrast, however, the Registrar held in *Bellagio* that merely offering booking services in Canada could not support that registration with respect to “hotels”.

[25] Indeed, the jurisprudence has held that advertising in Canada alone is insufficient to demonstrate use with respect to services; at the very least, the services have to be available to be performed in Canada [per *Wenward, supra*]. In *Marineland Inc v Marine Wonderland and Animal Park Ltd* (1974), 16 CPR (2d) 97 (FCTD), the Federal Court reasoned that where performance of services offered by a trade-mark owner, by necessity, could only be completed by travelling abroad, the sale of admission vouchers in Canada could not be considered performance of those services in Canada.

[26] Similarly, in *Motel 6 Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD) and *Porter v Don the Beachcomber* (1966), 48 CPR 280 (Ex Ct), it was held that where a trade-mark is associated with advertising in Canada for services that can only be benefitted from outside of Canada, proper use of the trade-mark has not been shown.

[27] Furthermore, while appearance of a trade-mark on a computer screen in Canada *may* constitute use of a trade-mark, the registered services must still be offered in Canada [per *UNICAST SA v South Asian Broadcasting Corporation*, 2014 FC 295, 122 CPR (4th) 409].

[28] In this case, the Requesting Party notes that it is clear that the Owner has no physical presence in Canada, submitting that the M Hotel “hotel services” can “only be rendered in Singapore given M Hotel’s location”, and not in Canada. As such, the Requesting Party argues that it cannot be said that the Owner was offering or prepared to perform the registered “hotel services” *in Canada* during the relevant period.

[29] On the other hand, the Owner submits that “hotel services” should be given a liberal interpretation [citing *Saks & Co v Canada (Registrar of Trade Marks)* (1989), 24 CPR (3d) 49 (FCTD); *Venice Simplon-Orient-Express Inc v Société Nationale des Chemins de Fer Français*

SNCF (2000), 9 CPR (4th) 443 (FC) [*Orient Express*]; *TSA Stores, Inc v Canada (Registrar of Trade-marks)* (2011), 91 CPR (4th) 324 (FCTD); and *Allianz Global Investors of America LP v Middlefield Capital Corporation*, 2014 FC 620, 127 CPR (4th)].

[30] As such, the Owner submits that it is not merely advertising the Mark, but that the registered hotel services are available to Canadians. In this respect, again, the Owner maintains that the following are “related but ancillary” hotel services offered to Canadians: organizing and booking banquets, events, and conferences; planning meetings; reserving office suites; reserving child care and children’s services; making restaurant reservations; reserving shuttle services; booking tours and visits to tourist attractions; and booking spa services.

[31] The Owner submits that, for example, meeting and conference planning is an example of an ancillary hotel service that “was advertised to Canadians and available for performance in Canada”. Similar to language used in *TSA, supra*, the Owner submits that a person’s ability to visit its website to use such “ancillary” services is “akin to visiting with and benefitting from a discussion with a knowledgeable hotel employee or hotel concierge at the [Owner’s] M Hotel”.

[32] The Owner compares itself favourably to the registered owner in *Orient-Express, supra*. In *Orient Express*, the Federal Court dismissed an appeal of the Registrar’s decision [(1995), 64 CPR (3d) 87 (TMOB)], where the Registrar found that the services in question, “travel services, namely railway passenger services”, encompassed services such as “train ticketing and train reservations”. In that decision, the Registrar drew on the language of “ancillary” and “incidental” services from *Kraft Ltd v Registrar of Trade-marks* (1984), 1 CPR (3d) 457 (FCTD) to give a broad interpretation to the registered services, stating that “the expression, in my view, conveys several ideas and I can see no reason why such an expression should be given a restrictive interpretation” [at page 90].

[33] However, I do not consider *Orient Express* to stand for the principle that the ability to reserve, book or pay for certain services from Canada constitutes performance of such services in Canada. Rather, it only stands for the reasonableness of the Registrar’s conclusion with respect to a particular articulation of services in the context of particular evidence of use. In this respect, I note that the Federal Court in that case did not adopt the Registrar’s reasoning *per se*. Instead, it states the following at paragraph 10:

The term “services” was interpreted broadly in *Saks & Co. v. Canada (Registrar of Trade Marks)* (1989), 24 C.P.R. (3d) 49 (F.C.T.D.). In that case Saks did not have a Canadian store but did receive mail and telephone orders from Canada for merchandise. The services in that case were performed without the Canadian customer having to leave Canada. In my view the words “travel services, namely passenger rail services” should not be given any more limited scope. Thus, it was reasonable to find that the performance in Canada by a travel agency of booking, reservation and ticketing services constitutes the performance in Canada of such services by the registrant.

[34] In my view, the Court did not explicitly endorse the Registrar’s reasoning in that case, only accepting that “travel services, namely passenger rail services” could be interpreted broadly to encompass the travel agency-type services actually in evidence.

[35] As such, the Federal Court’s decision in *Orient Express*, while dismissing the appeal of the Registrar’s decision, did not overturn the principles enunciated in *Marineland, supra*, and *Motel 6, supra*, with respect to what constitutes performance of services in Canada. Indeed, more recently, the Federal Court has cited *Marineland* favourably while giving *Orient Express* a narrow interpretation [see *Express File Inc v HRB Royalty Inc* (2005), 39 CPR (4th) 59 (FC)].

[36] Although *Orient Express* is often cited for the principle that services should be interpreted “broadly”, the foundational principle from *Kraft* is with respect to what activities can constitute a service, not that any activity can constitute the performance of a particular service. Furthermore, the Federal Court of Appeal has acknowledged that interpreting services broadly has limits [see, for example: *Boutique Limité Inc v Limco Investments, Inc* (1998) 84 CPR (3d) 164 (FCA), in which a U.S. store providing refunds to Canadians was insufficient to justify a registration of “retail women’s clothing store services” in Canada].

[37] Similarly, I do not consider the decision in *TSA* applicable to the present case. The decision in *TSA* was with respect to the performance of retail store services in the context of a line of cases that had clearly established that a “bricks-and-mortar” presence in Canada is not necessary to establish use of a trade-mark in association with such services. For example, the operation of a retail website or 1-800 number can be sufficient [per *Law Office of Philip B Kerr v Face Stockholm Ltd* (2001) 16 CPR (4th) 105 (TMOB); and *Saks, supra*]. As such, the issue in *TSA* was the threshold of services required to constitute the performance of “retail store services” in Canada.

[38] Unlike retail store services, however, a hotel cannot be operated via the Internet or a telephone number; it is contrary to common sense to equate the ability to make hotel reservations or other bookings with the operation of a hotel [see *Bellagio, supra*, at paragraph 17]. Indeed, in *Motel 6, supra*, the Federal Court explicitly stated that “...receiving and confirming reservations for motel accommodation in the U.S.A. does not constitute use of the mark in Canada in association with motel services” [at page 57].

[39] This view is consistent with the underlying importance of the concept of “use” in Canadian trade-mark law, that a trade-mark must be used in Canada in order to have the benefits of exclusivity. While foreign trade-mark owners may register their trade-marks in Canada (*e.g.*, pursuant to section 16(2) of the Act) and enjoy the benefits of registration, maintenance of one’s registration depends on use in Canada.

[40] Notwithstanding the use of the terms “primary”, “ancillary” or “incidental” in some jurisprudence, these terms are not found in the Act at all, much less defined. The point in *Kraft* was that distinguishing between “ancillary”, “incidental” or “primary” services was unnecessary in determining what constitutes a “service” under the Act. It follows that using such terms when determining whether a particular activity constitutes a particular registered service is unwarranted. Such an exercise has little basis in the Act and inevitably leads to absurd arguments and results.

[41] Rather, per section 30 of the Act, services must be stated in ordinary commercial terms and whether a trade-mark has been used in association the registered services is to be determined on a case-by-case basis [see *Express File, supra*]. Accordingly, registered services should be interpreted in accordance with common sense and given their ordinary meaning.

[42] In this case, the Owner appears to be conflating the offering of reservation services and the promotion of its Singapore-based hotel with actual performance of hotel services in Canada. It may be that the Mark is well known in Canada. However, the advertisement of one’s services on a website does not constitute performance of such services. While promotion of the Owner’s hotel may occur in Canada, this is not use of the Mark in Canada with respect to “hotel services” unless the Owner performs or is prepared to perform its hotel services in Canada.

[43] This is consistent with the plain meaning of the statement of services and in light of the evidence furnished. “Booking”, “planning” and “reservation” services are not “hotel services”, and the registration should not be maintained in this respect simply because the service actually available “in Canada” is tangentially related.

[44] The argument that some activity is “technically” use should not be successful. In line with this, courts have generally taken a dim view of token commercial activity designed to protect intellectual property rights. I note the following observation from the Federal Court in *Plough, supra*, at paragraph 10:

There is no room for a dog in the manger attitude on the part of registered owners who may wish to hold on to a registration notwithstanding that the trade mark is no longer in use at all or not in use with respect to some of the wares in respect of which the mark is registered.

[45] Maintaining the registration with respect to “hotel services” in this case would give the Owner an overly broad scope of protection over services that it does not actually perform in Canada. Where a trade-mark owner performs services in another jurisdiction and wishes to obtain and maintain a registration in Canada in association with the same trade-mark and same services, it should generally mirror the performance of those services in Canada; merely casting the shadow of those services is insufficient.

[46] This reasoning is consistent with the recent decision of the Registrar in *Fetherstonhaugh & Co v Supershuttle, Inc*, 2014 TMOB 155 [affirmed 2015 FC 1259]. In *Supershuttle*, the Registrar distinguished *TSA* and *Orient Express* on the basis that not merely *any* activity can constitute performance of a particular service [at paragraph 25].

[47] As such, there is no evidence before me that the Owner performed or was able to perform “hotel services” in Canada during the relevant period. Accordingly, I cannot conclude that the Owner has demonstrated use of the Mark in association with such services within the meaning of sections 4 and 45 of the Act. Furthermore, the Owner provided no evidence of special circumstances excusing the absence of such use.

[48] The registration will be amended accordingly.

Disposition

[49] In view of all of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act and in compliance with section 45 of the Act, the registration will be amended to delete “hotel services”.

[50] The amended statement of services will be “Hotel reservation 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: No Hearing Held

AGENTS OF RECORD

Bereskin & Parr LLP/S.E.N.C.R.L., S.R.L.

For the Registered Owner

Stikeman Elliott S.E.N.C.R.L., SRL/LLP

For the Requesting Party