LE REGISTRAIRE DES MARQUES DE COMMERCE

THE REGISTRAR OF TRADE-MARKS

Citation: 2013 TMOB 123
Date of Decision: 2013-07-12

IN THE MATTER OF A SECTION 45 PROCEEDING requested by Cassels Brock & Blackwell LLP against registration No. TMA694,448 for the trade-mark AIRPOINTS DOLLARS in the name of Air New Zealand Limited

[1] At the request of Cassels Brock & Blackwell 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 March 31, 2011 to Air New Zealand Limited (the Registrant), the registered owner of registration No. TMA694,448 for the trade-mark AIRPOINTS DOLLARS (the Mark).

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

> Financial management; providing, storing, collating and recording financial information; electronic funds transfer; services provided by airlines, in the nature of frequent flyer programmes and other incentive programmes; membership privileges and loyalty recognition programmes in the nature of travel services.

[3] Section 45 of the Act 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 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 between March 31, 2008 and March 31, 2011.

[4] The definition of "use" in association with services is set out in section 4(2) of the Act:

> 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 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 quite low [*Woods Canada Ltd v Lang Michener et al* (1996), 71 CPR (3d) 477 (FCTD)], and evidentiary overkill is not required [*Union Electric Supply Co v Canada (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 wares and services specified in the registration during the relevant period.

[6] In response to the notice, the Registrant furnished the statutory declaration of Lisa Robertson, in-house legal counsel for the Registrant, declared on October 27, 2011. Both parties filed written representations and were represented at an oral hearing.

[7] Based on the evidence before me, as its name would suggest, the Registrant is an airline operating primarily out of New Zealand, and which offers as part of its services a frequent flyer program called "Airpoints". In her declaration, Ms. Robertson attests that the Mark was used by the Registrant during the relevant period in association with "promotion, advertisement and performance of the [Registrant's] services", primarily through its website, *www.airnewzealand.ca* (the Website).

[8] In support, she provides the following exhibits:

- Schedule A consists of a printout from the Whois.Net domain name database showing the Registrant as the owner of the domain name for the Website since 2005.

- Schedules B to G consist of printouts from the Website for each year from 2006 to 2011; each schedule includes an Airpoints program application form and the "Terms and Conditions of Airpoints Membership" (the Terms) for that year. I note that the layout and content of the Website vary from year to year; however, the differences are minor and are

not at issue in this proceeding. The printouts provide details with respect to the operation of the Airpoints program and benefits. For example, in Schedule E (with content from 2009), the "Welcome to Airpoints" page states that "Airpoints gives you lots of ways to spend your Airpoints Dollars – on air travel with Air New Zealand, Star Alliance airlines and our other airline partners; or … to rent a car or book a hotel room". Furthermore, under the heading "Airpoints Online", the Website explains that members can use their "…personal Air New Zealand homepage, bringing together your Airpoints account information with all your upcoming flights and customisable travel features."

- Schedule H consists of a Google Analytics report for the Website, showing web traffic for the period from August 1, 2010 to August 1, 2011; Ms. Robertson attests that "the report indicates that 602,492 visits to [the Website] were via 1,256 cities in Canada."

- Schedule I consists of five statements delivered to Airpoints Dollars members showing the balance of their Airpoints Dollars. I note that only one of the statements is addressed to a Canadian address.

- Schedule J is a list of six names and mailing addresses, which Ms. Robertson attests is "a representative sample of Canadian based AIRPOINTS DOLLARS members".

[9] Notwithstanding the volume of exhibits attached to Ms. Robertson's declaration, at best, the evidence supports that the Mark was used only in connection with "services provided by airlines, in the nature of frequent flyer programmes and other incentive programmes" and "membership privileges and loyalty recognition programmes in the nature of travel services" (the Frequent Flyer Services).

[10] With respect to the remaining services, namely, "financial management; providing, storing, collating and recording financial information; and electronic funds transfer", although sections 7 and 12 of the Terms (as found in Schedule E) reference the Mark in association with managing, storing and transferring frequent flyer points, in my view, these services are not in the nature of financial services. I would note that section 15.6 of the Terms clarifies that the subject Airpoints Dollars are not convertible into cash and that members cannot sell, assign, or transfer Airpoints Dollars for any other consideration.

[11] Similarly, the credit card services described in section 1.4.5 of the Terms, which may otherwise be considered to fall under the general category of financial services, are only offered in certain countries and there is no evidence to show that such services were available in Canada.

[12] In contrast, with respect to the Frequent Flyer Services, I am satisfied that the exhibited printouts from the Website constitute display of the Mark in association with such services during the relevant period. The Website states that "Airpoints is Air New Zealand's frequent flyer programme. And… with Airpoints Dollars, our program currency, it's even easier to earn and redeem Airpoints rewards". Similarly, the Terms make reference to the Mark in association with accumulating and redeeming points for rewards such as flights, hotel bookings and car rental services, all of which I am satisfied are representative of the Frequent Flyer Services.

[13] The Requesting Party submits that "Airpoints" is used to identify the Registrant's frequent flyer program and the Mark, "Airpoints Dollars", only appears in relation to the collectable currency or points issuable under the program. To illustrate its argument, the Requesting Party points to the definition found within the Terms, which states "**Airpoints Dollars** are the Air New Zealand frequent flyer points".

[14] However, the definition of "services" is to be broadly interpreted and includes those services which may be considered "incidental" or "ancillary" [*Kraft Ltd v Registrar of Trade Marks* (1984), 1 CPR (3d) 457 (FCTD)]; thus, in my view, the distinction made by the Requesting Party is too restrictive. Use of the Mark, as defined by the Terms, is incidental to the performance and advertising of the Frequent Flyer Services. By way of example, the Mark is used throughout the Terms to describe the way in which program members can accumulate and redeem flight and non-flight benefits. Moreover, it is acceptable for two trade-marks to be used in relation to the same services [*AW Allen Ltd v Warner-Lambert Canada Inc* (1985), 6 CPR (3d) 270 (FCTD)], as in the present case with "Airpoints" and "Airpoints Dollars" in relation to the Frequent Flyer Services.

[15] Nevertheless, the Requesting Party also submits that the Frequent Flyer Services were not performed in Canada. Generally, 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 [*Wenward (Canada) Ltd v Dynaturf Co* (1976), 28 CPR (2d) 20 (TMOB)]. 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 proffered 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 services in Canada. 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.

[16] With respect to performance of the Frequent Flyer Services in Canada, the evidence is not extensive. Section 1.3 of the Terms (as found in Schedule E) indicates that members can collect frequent flyer points when travelling to and from Canada on Air Canada and other partner airlines and, in support, the Registrant furnishes the Schedule I statements sent to five different members of the Airpoints program, that in part show points collected for flights taken to and from Canada during the relevant period. Further, I would note that the Mark is displayed on each statement in association with the frequent flyer points that were accumulated. As mentioned above, however, of the five statements, only one is addressed to a Canadian resident.

[17] In any event, the Registrant provides further evidence to support that the Frequent Flyer Services were advertised and capable of performance in Canada. For example, the Schedule B to G printouts of the Website show that visitors to the Website are invited to register for the Airpoints program by clicking on “Register Now”, which appears at the bottom of the frequent flyer section of the Website. Although the web traffic statistics in Schedule H do not show whether people actually signed up for the service, I am satisfied that the Website was viewed in Canada, supporting the conclusion that, at a minimum, the Frequent Flyer Services were advertised and available to be performed in Canada.

[18] Similarly, the Website advertises that members can access “account information with all [their] upcoming flights and customizable travel features” online. Again, while there is no direct evidence to show that members actually managed their frequent flyer account while in Canada, it is reasonable to conclude that members could do so from Canada during the relevant period.

[19] As such, I am satisfied that the evidence, on a whole, supports that the Registrant performed the Frequent Flyer Services in Canada during the relevant period.

Disposition

[20] In view of all of the foregoing, I am not satisfied that the Registrant has demonstrated use of the Mark in association with "financial management; providing, storing, collating and recording financial information; and electronic funds transfer" within the meaning of sections 4 and 45 of the Act, there being no evidence before me of special circumstances excusing the absence of such use.

[21] Consequently, pursuant to the authority delegated to me under section 63(3) of the Act and in compliance with section 45 of the Act, the amended statement of services will be as follows: "Services provided by airlines, in the nature of frequent flyer programmes and other incentive programmes; Membership privileges and loyalty recognition programmes in the nature of travel services."

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Andrew Bene
Hearing Officer
Trade-marks Opposition Board
Canadian Intellectual Property Office