

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

Citation: 2016 TMOB 103 Date of Decision: 2016-06-30

Registration

IN THE MATTER OF A SECTION 45 PROCEEDING

McMillan LLP Requesting Party

and

Orange Brand Services Limited Registered Owner

TMA583,274 for ORANGE

- [1] This is a decision involving a summary expungement proceeding with respect to registration No. TMA583,274 for the trade-mark ORANGE (the Mark), owned by Orange Brand Services Limited.
- [2] The Mark is registered in association with "telecommunications services, namely the provision of telephony services to subscribers of a mobile telephone network" (the Services).
- [3] For the reasons that follow, I conclude that the registration ought to be maintained.

The Proceedings

[4] On October 1, 2013, the Registrar of Trade-marks sent a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) to Orange Brand Services Limited (the Owner). The notice was sent at the request of McMillan LLP (the Requesting Party).

- [5] The notice required the Owner to furnish evidence showing that it had used the Mark in Canada, at any time between October 1, 2010 and October 1, 2013, in association with the services specified in the registration. If the Mark had not been so used, the Owner was required to furnish evidence providing the date when the Mark was last in use and the reasons for the absence of use since that date.
- [6] The relevant definition of use 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.
- [7] It has been well established that the purpose and scope of section 45 of the Act is to provide a simple, summary, and expeditious procedure for clearing the register of "deadwood". The criteria for establishing use are not demanding and an overabundance of evidence is not necessary. Nevertheless, sufficient evidence must still be provided to allow the Registrar to conclude that the trade-mark was used in association with each of the registered goods and services [see *Uvex Toko Canada Ltd v Performance Apparel Corp*, 2004 FC 448, 31 CPR (4th) 270]. Furthermore, mere statements of use are insufficient to prove use [see *Plough (Canada) Ltd v Aerosol Fillers Inc* (1980), 53 CPR (2d) 62 (FCA)].
- [8] In response to the Registrar's notice, the Owner furnished the affidavit of Helen Jane Stanwell-Smith, sworn April 25, 2014, together with Exhibits 1 through 37.
- [9] Both parties filed written representations; however, only the Owner was represented at an oral hearing held jointly with hearings for summary expungement proceedings with respect to four other registrations owned by the Owner. Separate decisions will be issued for these other proceedings, which pertain to registration Nos. TMA392,593, TMA540,151, TMA545,600 and TMA773,863.

The Evidence

[10] In her affidavit, Ms. Stanwell-Smith attests that she is the Senior Legal Counsel employed by Orange Corporate Services Limited, an affiliated company to the Owner and its predecessors-in-title.

- [11] Ms. Stanwell-Smith states that the Owner and/or its licensees have used the Mark in association with the Services in Canada during the relevant period.
- [12] With respect to the Owner's background, Ms. Stanwell-Smith explains that the Owner is 100% owned by Orange SA, a French company that is also parent to a global group of companies whose activities span the telecommunications, media, advertising, healthcare and financial services sectors.
- [13] She attests that the Owner licenses its rights in the Mark to over 200 subsidiaries and related companies of Orange SA (the "Orange Group"), who use the Mark in their corporate identity and in association with the Services in particular. She attaches, as Exhibit 2 to her affidavit, an extract from a 2012 document published by Orange SA listing the members of the Orange Group. The list includes, among other subsidiaries and members, Equant BV. She notes that the list does not specify the more than 80 international subsidiaries of the Equant sub-group which provide business-to-business services globally, as only the parent company "Equant" is referred to in this document. I note that later in her affidavit, Ms. Stanwell-Smith attests that one such Equant subsidiary, Equant Canada Inc., changed its name to Orange Business Services Canada, Inc. (OBSC) in December 2012.
- [14] In terms of licensed use of the Marks in Canada, Ms. Stanwell-Smith specifically identifies the following licensees of the Owner: OBSC, and Orange International Carriers and shared services, *a.k.a.* International Wholesale Solutions, a division of the Orange Group (International Carriers). I note that both of these entities are listed as members of the Orange Group per Exhibit 2. She attests that throughout the relevant period, the Owner exercised direct control over the character and quality of the Services provided and promoted by these licensees in Canada in association with the Mark. In addition, she provides examples of how such control was exercised, including through enforcement of extensive global guidelines published on the Internet, an excerpt of which she attaches as Exhibit 6 to her affidavit. She further states that the Owner exercises control over its licensees operating in Canada by reviewing the use of the Mark by its licensees on a quarterly or bi-annual basis as well as providing regular brand use support.
- [15] Ms. Stanwell-Smith attests that under license from the Owner, both OBSC and International Carriers provide the Services in association with the Mark to customers in Canada.

She states that such services are described on the following websites, excerpts of which she attaches as Exhibits 3 and 5 to her affidavit respectively: www.orange-business.com (with respect to OBSC), and wholesalesolutions.orange.com (with respect to International Carriers). She indicates that these website printouts are representative of their appearance during the relevant period. The printouts from both websites pertain to "Orange Business Services".

[16] She further provides, as Exhibit 4 to her affidavit, a 2012 presentation published by the Orange Group under license from the Owner, which she attests describes the telecommunications and IT services provided under the Mark, including by OBSC in Canada, such as provision of seamless voice and data networks, network and related IT equipment installation, maintenance and repair services. A more recent version of the presentation is also included in this exhibit. She attests that the presentation was accessible to Canadians online during the relevant period and has been provided to prospective Canadian customers by OBSC by email and at sales meetings.

Provision of Services by OBSC

- [17] Ms. Stanwell-Smith identifies OBSC as the primary licensee of the Marks in Canada, and explains that OBSC has two categories of customers and prospective customers: (i) Canadian companies operating nationally or internationally to whom OBSC offers the Services directly itself or through other international members of the Orange Group; and (ii) International companies headquartered outside of Canada conducting business operations within Canada.
- [18] She explains that in providing the Services during the relevant period, OBSC maintained a staff of around 90 employees based in offices that prominently display the Mark in Toronto, Vancouver, and Montreal.
- [19] Ms. Stanwell-Smith further attests that during the relevant period, OBSC had over 170 customers (both Canadian and International) to which it provided the Services in association with the Mark in Canada. She identifies several of these customers, which include large entities such as Bell Canada and Akzo Nobel. She provides significant annual revenue figures which she attests were generated by OBSC for the provision of goods and telecommunications and IT services, including the Services, during the relevant period. She states that, during the relevant

period, OBSC generated a substantial portion of its total annual revenues in Canada from the Services.

- [20] Ms. Stanwell-Smith attests, however, that due to the complex nature of OBSC's packages of business solutions, OBSC does not separate out revenues generated between activities in Canada and those generated by OBSC which are conducted outside of Canada for Canadian clients. She further explains that OBSC "does not split out each of the individual elements of the [goods] and Telecommunications and IT Services provided," as customers are invoiced instead according to the business package provided. However, at Exhibit 11, she provides a representative schedule of sample revenues for specific business packages (which she states incorporate the Services) listed by Canadian client during the year 2012, representative of annual revenues during the relevant period. She explains that for confidentiality purposes, the names of the clients have been redacted.
- [21] The names of the business packages provided by OBSC which incorporate the Services are identified in her affidavit as "Audio and Web Conferencing solutions", "Business Talk", "Business Together", and "Internet Protocol Virtual Private Network (IP VPN) packages". In addition to the revenue schedule noted above, the evidence in relation to these business packages is comprised of: sample invoices (Exhibits 17, 20, 23, 26, and 31); brochures and sales presentation documents (Exhibits 12, 14, 15, 18, 19, 21, 22, 24, and 25); and further representative associated annual sales revenues. In addition, she provides sample website screenshots of the web conferencing software login portal (Exhibit 16) which clearly bears the Mark, used in conjunction with the Audio and Web Conferencing solutions business package.
- [22] With respect to the invoices, Ms. Stanwell-Smith explains that as they were regenerated from the finance systems of OBSC, they do not appear on the Orange-branded letterhead on which they were originally printed when sent to customers. However, she does provide, at Exhibit 10, a scanned copy of an invoice from 2007, which she attests is representative of invoices sent during the relevant period, demonstrating the prominence of the Mark on the invoices. The invoices refer to general services or business packages consistent with the aforementioned evidence.

- [23] The brochures and sales presentation documents, which also clearly bear the Mark, describe the portfolio of services/packages provided by OBSC. Ms. Stanwell-Smith attests that these documents are representative of those that were accessed by and provided/circulated to Canadian consumers and prospective consumers by OBSC during the relevant period (per paragraphs 28, 29, 33, 38, 41 and 44 of her affidavit and Exhibit 13, re: website traffic statistics).
- [24] In addition to the aforementioned business packages, Ms. Stanwell-Smith explains that OBSC provides various services specific to the healthcare industry, which she asserts fall within the ambit of the Services. She explains that such services include ISP and web hosting services, as well as mobile network services. She provides printouts from the Orange Group's corporate website (Exhibit 27) which describe the services offered in Canada, together with Canadian website traffic statistics. In addition, she provides samples of case studies (Exhibit 28) regarding services supplied to various named Canadian customers during the relevant period. She states that these case studies describe the IT and telecommunications solutions provided to these customers and are distributed to prospective customers in Canada during sales meetings and at industry events. She states that revenues of over US\$650,000 per year have been received by OBSC during the relevant period relating to such services.
- [25] More particularly, as evidence of display of the Mark and the provision of mobile network services to healthcare clients in Canada, Ms. Stanwell-Smith provides an image of a sample SIM card bearing the Mark used by OBSC's customers in conjunction with such services (Exhibit 29), extracts from a sample contract (Exhibit 30), and a sample invoice (Exhibit 31). She explains that the SIM cards are inserted into customers' medical devices to connect them to the Rogers Communications mobile network in Canada. The medical devices are then enabled to send electronic signals and reports back to the customer's computer so that the customer can monitor the patient, something Ms. Stanwell-Smith states is known as "Machine to Machine" or "M2M" connectivity. She further explains that the SIM cards send signals back to OBSC to enable OBSC to then provide reporting and professional services to the customer.

Telephony Services Provided in Canada by International Carriers

[26] Ms. Stanwell-Smith attests that the activity of International Carriers encompasses the wholesale trading in voice, internet, data capacity, as well as content, audience and healthcare

related activities among telecommunications network operators. She provides, as Exhibit 32, a brochure bearing the Mark, which details the services offered by International Carriers to customers in Canada and around the world. She states that this brochure was distributed by International Carriers to Canadian consumers during the relevant period.

- [27] In addition to the brochure, Ms. Stanwell-Smith attests that the services offered by International Carriers are advertised on the global corporate website of the Orange Group and includes printouts representative of those pages published during the relevant period at Exhibit 5. She indicates that these webpages include a map of key network coverage, which she states includes Canada.
- [28] Ms. Stanwell-Smith attests that pursuant to "roaming" agreements with International Carriers, Canadian customers of network operators in Canada are able to use their mobile telephones and fixed line telephones for data and voice services when visiting foreign countries through the Orange Group's networks. She attests that such networks are identified with the Mark on the mobile phones of such Canadian users, and that the Orange Group then invoices the Canadian operators in Canada for those services (sample invoices of which are attached at Exhibit 35). She further attests that the Orange Group has arrangements with Canadian telecommunication network operators to enable the provision of voice telecommunication services in Canada through third party mobile networks as part of the Orange-branded packages of products and services for multinational corporations.
- [29] In addition to International Carriers, Ms. Stanwell-Smith attests that OBSC offers network services to telecommunications operator customers in Canada, one such customer during the relevant period being Bell Canada. Such services to telecommunications operators are described in a brochure bearing the Mark, entitled "Solutions for Operators", which she attaches as Exhibit 33 to her affidavit.
- [30] With respect to the "roaming" arrangements with Canadian operators described above, Ms. Stanwell-Smith attaches, as Exhibit 34 to her affidavit, printouts from the websites of Rogers Communications and Bell Canada, showing the Orange network as being the roaming network available for its customers in a selection of countries. She states that these relationships

between the Orange Group and the Canadian operators are representative of the relationships that existed during the relevant period.

Promotion of the Marks

- [31] Ms. Stanwell-Smith explains that the Owner, through OBSC and other licensees, also uses the Mark to engage in promotional and marketing activities aimed at existing Canadian customers and prospective customers.
- [32] Ms. Stanwell-Smith states, however, that due to the largely joint nature of promotional and marketing activities between Canada and the United States, it is difficult to apportion an amount of the North American budget for such events actually spent on events in Canada. Nevertheless, Ms. Stanwell-Smith estimates that the global marketing and promotional investment "touching" Canada is over US\$100,000 annually.
- [33] With respect to such activities in Canada, she states that the Owner, through its licensees, conducts marketing campaigns in Canada via email, publication of blogs and other publications on its website. As purported examples, she attaches as Exhibit 36 to her affidavit, corporate documents that outline various marketing campaigns. As another representative example, she explains that a series of emails entitled "People of Orange" was sent to more than 1000 customers and prospective customers as an introduction to the variety of roles that Orange employees play in servicing multinational clients in the Americas.
- [34] Lastly, Ms. Stanwell-Smith indicates that, during the relevant period in Canada, OBSC circulated a magazine displaying the Mark. She explains that the publication was circulated on a quarterly basis via download from its website and through e-mail to subscribers. A hard copy of the magazine was also sent to a mailing list of customers, sales prospects, industry contacts and partners and the international media. She attaches as Exhibit 37 to her affidavit, copies of various editions of the magazine, dated 2010, 2011 and 2012. She states that, as an example, the June 2011 edition was mailed out to over 60 subscribers.

Analysis and Reasons for Decision

[35] The Requesting Party's submissions can be summarized as follows:

- The evidence shows that the Marks were not used by the Owner and fails to demonstrate
 that the Owner actually exercised any control over the way the Marks were used during
 the relevant period;
- There is no evidence to show that the Mark was used in Canada in association with the Services during the relevant period.

I will deal with each of these submissions in turn.

Licensed Use

- [36] With respect to the first submission, the Requesting Party submits that the Owner has failed to demonstrate any evidence of *actual* control over the nature and quality of the goods and services offered in relation to the Marks during the relevant period [citing *Lafco Enterprises Inc v Canadian Home Publishers*, 2013 TMOB 44; *DeGrandpré Chait c Mead Products LLC*, 2013 TMOB 73]. The Requesting Party submits that the only evidence in support of the alleged control exercised by the Owner consists of a document entitled "Orange core guidelines" attached at Exhibit 7, and statements made by Ms. Stanwell-Smith that reviews are held and that brand use support is offered to licensees (per paragraph 19 of the affidavit). However, the Requesting Party submits, these allegations are not substantiated by any further evidence and do not include particulars nor any further evidence demonstrating the enforcement of the Orange core guidelines.
- [37] Further to this, the Requesting Party submits that the corporate relationship between the Owner and the alleged licensees is not enough to establish a license [citing *Cheung Kong Holdings Ltd v Living Realty Inc* (1999), 4 CPR (4th) 71 (FC); and *MCI Communications Corp v MCI Multinet Communications Inc*, 61 CPR (3d) 245 (TMOB)].
- [38] In reply, the Owner submits that it is well established that filing a copy of a license agreement is not mandatory in a section 45 proceeding, provided that the evidence establishes that the registered owner has control over the character and quality of the goods bearing the trade-mark [citing *Canadian Home Publishers (Re)*, 2013 TMOB 44 at para 11]. Furthermore, the Owner submits, the requirement to establish the control required under section 50(1) of the

Act can be established, as it has in the present case, by clearly swearing to the fact that the trademark owner exerts the requisite control [citing Gowling, Strathy and Henderson v Samsonite Corp (1996), 66 CPR (3d) 560 and Mantha & Associés/Associates v Central Transport Inc (1995), 64 CPR (3d) 354]. In fact, the Owner submits, the cases cited by the Requesting Party support this proposition (noting, for example, De Grandpré Chait, supra, at para 16 and Lafco, supra at para 11). The Owner also distinguishes Cheung Kong, supra, in that there was no evidence in that case, beyond a corporate relationship, that the registrant did anything to exercise control over the character and quality of the goods and services associated with the trade-mark.

- [39] In any event, the Owner submits, Ms. Stanwell-Smith provides further facts and evidence supporting the Owner's control over the character and quality of the goods provided under the Mark, including statements which provide specific examples of how such control is exercised. These statements, the Owner submits, qualify as assertions of fact rather than assertions of law and are clearly acceptable in section 45 proceedings.
- [40] As stated by the Federal Court, there are three main methods by which a trade-mark owner can demonstrate the requisite control pursuant to section 50(1) of the Act: first, by clearly attesting to the fact that it exerts the requisite control; second, by providing evidence demonstrating that it exerts the requisite control; or third, by providing a copy of the license agreement that provides for the requisite control [see *Empresa Cubana Del Tabaco Trading v Shapiro Cohen*, 2011 FC 102, 91 CPR (4th) 248 at para 84]. In the present case, as can be concluded from the Owner's above-noted submissions, two such methods have been satisfied. That is, not only has Ms. Stanwell-Smith provided a clear statement attesting to such control, but she has provided sworn statements describing specific examples of how such control is exercised. Consequently, I am satisfied that any use of the Mark by the licensees identified by Ms. Stanwell-Smith, is licensed use, which enures to the benefit of the Owner pursuant to section 50 of the Act.

Was the Mark used in association with the Services in Canada during the relevant period?

[41] The Requesting Party submits that although Ms. Stanwell-Smith claims that OBSC and International Carriers have used the Mark in relation to the Services during the relevant period, the evidence does not supports such claims.

- [42] In particular, with respect to OBSC, the Requesting Party submits that there is no evidence of actual circulation or distribution to Canadian clients of the brochures and sales documents associated with OBSC's business packages. The only evidence pertaining to distribution and circulation of such documents, the Requesting Party submits, is an undated website traffic report prepared by the Owner showing hits to the <code>www.orange-business.com</code> global website from Canadian users (Exhibit 14). Such evidence, the Requesting Party submits, has questionable evidentiary value. Further to this, the Requesting Party submits that the website does not include any indicia of being directed at Canadian consumers; thus the evidence falls short of showing that such services were available to Canadian consumers.
- [43] However, I note that the brochures and sales documents were not available exclusively on the website. In this regard, Ms. Stanwell-Smith makes numerous sworn statements throughout her affidavit that such documents were used by OBSC's sales teams and circulated to consumers and prospective consumers in Canada during the relevant period. Indeed, she provides specific methods/examples of how such documents were distributed by OBSC during the relevant period, such as at "hundreds of sales pitch meetings each year to existing and prospective clients in Canada".
- [44] The Requesting Party also questions whether the brochures were dated within the relevant period and submits that certain brochures appear to merely constitute internal presentation documents used by OBSC or France Telecom's marketing teams. However, Ms. Stanwell-Smith clearly attests throughout her affidavit that such documents are *representative* of the types of documents that were circulated during the relevant period to consumers and prospective consumers in Canada by OBSC.
- [45] In addition, the Requesting Party submits that the brochures appear to have a global target audience, with no specific reference to the provision of services in Canada. In this same vein, the Requesting Party submits that the financial statements (*i.e.* the financial statements of Equant Canada Inc. at Exhibit 10) and the schedule of revenues for various business packages (at Exhibit 11) do not show that such revenues pertain to the Canadian marketplace or relate to use of the Mark.

- [46] In response, the Owner submits, and I agree, that the evidence must be read as a whole. In this regard, I find that the Requesting Party has taken the incorrect approach of isolating certain pieces of evidence; an approach that can lead to incorrect conclusions as it does not consider other relevant or related evidence [see *Kvas Miller Everitt v Compute (Bridgend) Limited* (2005), 47 CPR (4th) 209 (TMOB)].
- [47] In the present case, Ms. Stanwell-Smith provides an explanation as to why the financial statements and schedule of revenues include revenues that are not solely limited to activities conducted in Canada. Specifically, she attests that due to the complex nature of the packages of business solutions provided to its customers, revenue figures generated by OBSC are not available in a manner that separates out revenues generated between its activities in Canada and those outside Canada for Canadian clients. Rather, customers are invoiced by OBSC according to the business package provided. She further provides a clear sworn statement that such services were provided to customers *within* Canada, attests that a substantial portion of OBSC's total annual revenues are generated by OBSC from the Services *in* Canada, and provides representative invoices issued to customers in Canada for such services. Indeed, with respect to each business package identified in her affidavit, she consistently attests throughout her affidavit that such services were provided by OBSC *in* Canada.
- [48] As but another example of corroborative evidence, Ms. Stanwell-Smith provides factual particulars with respect to OBSC's provision of M2M services to Canadian customers in the healthcare industry. Specifically, she explains that SIM cards (shown in Exhibit 29) are inserted into customer medical devices to connect them to the Rogers Communications mobile network in Canada, and that the SIM cards send signals back to OBSC to enable OBSC to provide reporting and professional services to the customer.
- [49] The Requesting Party submits that the image of the SIM card is undated and that demonstration of its use in Canada is not supplied since the address of the contracting party was concealed in the exhibited M2M customer service agreement (at Exhibit 30).
- [50] I note however, that not only does the aforementioned customer service agreement indicate that it is with a Canadian corporation, but there are multiple sample invoices in evidence (Exhibit 31) which clearly show the sale of M2M services to entities with Canadian addresses

during the relevant period. Furthermore, the Mark in this case does not only appear on the M2M customer service agreement (Exhibit 30), but also on the SIM cards themselves, which Ms. Stanwell-Smith clearly attests are used in the provision of such services. It is clear that the M2M services were offered and provided to customers in Canada during the relevant period in association with the Mark and I accept that the provision of this service falls within the ambit of the registered services.

- [51] In any event, the Requesting Party further submits that the exhibited invoices do not make any mention of the Mark; rather the only reference to the word "ORANGE" is in the legal name "Orange Brand Service Canada".
- [52] However, I agree with the Owner that Ms. Stanwell-Smith has provided a clear explanation as to why the invoices provided in the evidence do not display the Mark. Specifically, as indicated in the evidence summary above, Ms. Stanwell-Smith explains that as they were regenerated from the finance systems of OBSC, they do not appear on the Orangebranded letterhead on which they were originally printed when sent to customers. Nonetheless, she does provide, at Exhibit 10, a scanned copy of an invoice from 2007, which she clearly attests is representative of invoices sent during the relevant period, demonstrating the prominence of the Mark on the invoices.
- [53] With respect to the services offered by International Carriers, however, I agree with the Requesting Party that such telecommunications services do not appear to be offered in Canada. That is, although International Carriers has "roaming agreements" with Canadian telecom operators that enable customers of these operators to access the Orange cellular network when travelling *outside* of Canada, this does not constitute performance of the services *in* Canada pursuant to section 4(2) of the Act [see *Porter v Don the Beachcomber* (1966), 48 CPR 280 (ExCt)].
- [54] Nonetheless, in view of all of the foregoing, I am satisfied that the Owner has demonstrated use of the Mark through its licensee OBSC in association with the Services within the meaning of sections 4(2) and 45 of the Act.

Disposition

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

Kathryn Barnett Member Trade-marks Opposition Board Canadian Intellectual Property Office

TRADE-MARKS OPPOSITION BOARD CANADIAN INTELLECTUAL PROPERTY OFFICE APPEARANCES AND AGENTS OF RECORD

Hearing Date: 2015-08-04

Appearances

Sanjukta Tole For the Registered Owner

No one appearing For the Requesting Party

Agents of Record

Sim & McBurney For the Registered Owner

McMillan LLP For the Requesting Party