

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

Citation: 2013 TMOB 69 Date of Decision: 2013-03-18

IN THE MATTER OF A SECTION 45 PROCEEDING requested by Asima Realty Ltd. against registration No. TMA644,829 and TMA644,773 for the trade-marks AXIMA and AXIMA & Design respectively, in the name of Cofely Services S.A.

[1] On March 22, 2010, at the request of Asima Realty Ltd., the Registrar of Trade-marks issued notices under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) to Axima Services, now Cofely Services S.A. (the Registrant). The notices required the Registrant to show that its trade-marks, AXIMA (registration No. TMA644,829) and AXIMA & Design (registration No. TMA644,773 shown below) had been used in Canada in association with each of the registered services within the previous three years.



- [2] Section 4(2) of the Act sets out the meaning of use with respect to services:
 - 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.
- [3] Both trade-marks are registered for use in association with the following services (the Services):
 - 1) Business management; business management consultancy, business appraisals, relocation services for businesses.
 - 2) Management of contract for the technical maintenance and repair of buildings and the installation, maintenance and repair of air conditionings; intermediary services in the field of real estate management; consultancy in the field of real estate; real estate evaluation; real estate management; real estate appraisal; building construction; repair and maintenance of installations and apparatus for air conditionings; installation and repair of air conditioning apparatus; installation and repair of lifts; installation, maintenance and repair of office machinery and equipment; cleaning and repair of boilers; installation and repair of heating, information in the field of building, building construction supervision; building sealing; providing information for repair of installation and apparatus for air conditionings; building insulating, maintenance and repair of buildings; installation, maintenance, and repair of pipes for buildings; consultation and engineering in the field of energy, air conditioning and buildings, ecology, maintenance, installation and repair of air conditioning installations, and water analysis; technical consultancy and research in the field of energy, energy conservation; for the maintenance, repair and good functioning and installation of air conditionings; for the analysis of water, amongst others water contained in heating installations and air/water cooling apparatus; technical consultation and research in the field of engineering and energy and energy conservation.
- [4] In response to the Registrar's notices, the Registrant filed an affidavit of Xavier Sinéchal in support of both registrations. While neither party filed written submissions, both parties attended an oral hearing.
- [5] At the oral hearing, the following issues were discussed:

- (a) Is the evidence ambiguous with respect to the chain of title and changes of name of the Registrant?
- (b) Has the Registrant shown use of the Marks or use by a proper licensee under section 50 of the Act?
- (c) Have the Marks been used with *each* of the Services?
- [6] I will now discuss the evidence and arguments with respect to each of these issues in turn.

Is the evidence ambiguous with respect to the chain of title and changes of name of the Registrant?

- [7] In his affidavit, Mr. Sinéchal explains that he has been the Executive Director/Administrator of Cofely Services Inc. since 2001 a Quebec company related to the Registrant where he has now also been the Chairman of the Board of Directors since the beginning of 2009. He states that he has been authorized to make his affidavit on behalf of the Registrant.
- [8] Mr. Sinéchal then provides a brief corporate history with respect to the Registrant, as well as Cofely Services Inc. In this regard, he explains that there were a number of successive changes of name of the Registrant from its inception in Belgium in 1963 up until 2009. In particular, the Registrant was initially known as "AXIMA", which then changed to "AXIMA SERVICES S.A." in 2001, which then underwent a final name change to "COFELY SERVICES S.A." in 2009. Mr. Sinéchal attaches as Exhibit A1, a change of name document from the Belgium company registry confirming this latest change of name of the Registrant.
- [9] With respect to Cofely Services Inc., Mr. Sinéchal states that from 2005 to 2009, it was previously known as AXIMA SERVICES INC. Prior to that, he explains, it was known as ALIZÉ, GESTION TECHNIQUE INC. from 2004 to 2005, at which time it received authorization from the Registrant to change its name to AXIMA SERVICES INC. and to use the Marks "on behalf" of the Registrant. In support, he attaches as Exhibit A2, a copy of a consent document from AXIMA SERVICES S.A. to ALIZÉ, GESTION TECHNIQUE INC., dated

February 24, 2005. Mr. Sinéchal's statements are consistent in this regard with the remaining exhibit evidence. As will be discussed later, the remaining exhibits mainly consist of service offerings/proposals for service which explain the specific Services offered, as well as number of contracts which display the Marks with respect to a variety of the Services performed in Canada during the relevant period by Cofely Services Inc.

- [10] Admittedly, there have been a number of name changes between both the Registrant and its "authorized user", Cofely Services Inc. However, contrary to any concerns raised by the requesting party at the oral hearing, I see no ambiguities. Mr. Sinéchal's sworn statements are clear with respect to his detailing of the corporate history and changes of name of both the Registrant and its "authorized user", Cofely Services Inc. Furthermore, I consider these changes to constitute changes in the names of these entities, not changes in identity. Moreover, I agree with the Registrant that unlike the situation in *Spirits International BV v BCF SENCRL* (2012), 101 CPR (4th) 413 (FCA), where a number of entities were collectively and ambiguously grouped under the name MY COMPANY, the present situation only deals with two entities the Registrant and Cofely Services Inc.
- [11] The issue that emerges more aptly, in my view, appears to be whether Cofely Services Inc. was a proper licensee. As such, the question is whether the Registrant exerted the necessary degree of control over the character and quality of the Services provided by Cofely Services Inc. in association with the Marks in order to comply with section 50 of the Act.

Is Cofely Services Inc. a proper licensee pursuant to section 50 of the Act?

In section 45 proceedings, the requirements of section 50(1) of the Act are satisfied if the use of the trade-mark was under license and the registered owner had direct or indirect control of the character or quality of the associated wares and/or services. It is not necessary to produce a formal licensing agreement to prove the existence of licensed use of a trade-mark for the purposes of the Act (*Well's Dairy, Inc v UL Canada Inc* (2000), 7 CPR (4th) 77 at para 38 (FCTD). However, the mere fact that a registrant and a licensee are related companies is insufficient to establish that control under license pursuant to section 50 exists [see *MCI Communications Corp v MCI Multinet Communications Inc* (1995), 61 CPR (3d) 245 (TMOB) and *Dynatech Automation Systems Inc v Dynatech Corp* (1995), 64 CPR (3d) 101 (TMOB)]. In

any event, an inference may be drawn that such control exists where an individual is a director or an officer of both the registrant and the licensee [see *Petro-Canada v 2946661 Canada Inc* (1999), 83 CPR (3d) 129 (FCTD); *Lindy v Canada (Registrar of Trade Marks)* 1999 CarswellNat 652 (FCA)].

- [13] In the present case, at the oral hearing, the Registrant characterized the consent document under Exhibit A2 as that of a license between the Registrant and Cofely Services Inc. As to how the Registrant exercised control over the character and quality of the Services provided by Cofely Services Inc. in association with the Marks, the Registrant drew attention to several excerpts from an offer of service attached under Exhibit 4.
- The Registrant submitted that the Exhibit 4 document explains the corporate structure and relationship between the Registrant and Cofely Services Inc. In this regard, the excerpts referred to by the Registrant indicate that it holds fifty percent share ownership of Cofely Services Inc. In addition, the excerpts also show that the Registrant and Cofely Services Inc. share an employee, Mr. Philippe Van Deven. This employee concurrently holds a management position within the Registrant and is the Director of Operations of Cofely Services Inc. The Registrant argues that these facts support that there was use under license and that such use was subject to satisfactory control pursuant to section 50(1) of the Act.
- [15] While I agree that there is more than share ownership in the present case, I am not prepared to accept that Mr. Van Deven's position within the Registrant sufficiently demonstrates that the Registrant exercised the requisite control under section 50(1) of the Act. That is, absent further facts, I am not convinced that Mr. Van Deven's position as "Directeur régional, comptes nationaux", and the duties associated with his position, support the inference that the quality of the Services associated with the Marks remained under the control of the Registrant.

 Furthermore, the consent document (Exhibit A2) contains no control provisions, and at most amounts to control over use of the trade-marks as opposed to control over the character and quality of the Services.
- [16] It is therefore my conclusion that TMA644,829 and TMA644,773 ought to be expunged from the register for failure to show use of the Marks by the Registrant or use which inured to the Registrant's benefit pursuant to section 50(1) of the Act.

[17] However, in light of the lengthy submissions of the parties, I will also address the remaining issue regarding use of the Marks with *each* of the Services.

Does the evidence show use of the Marks in association with each of the Services?

- [18] The requesting party briefly expressed at the oral hearing that some of the Services do not appear to be represented in the evidence. However, the requesting party's primary submission was that use of the Marks had not been shown in association the Services corresponding to "real estate services". Those Services are: "intermediary services in the field of real estate management; consultancy in the field of real estate; real estate evaluation; real estate management; real estate appraisal".
- [19] In his affidavit, Mr. Sinéchal groups the Services into the general class headings of (1) business management; (2) real estate affairs; (3) building construction, repair and installation; and (4) consultancy, research and engineering. He attests that the Marks were used by the Registrant during the relevant period in association with Services under each of these general classes. In particular, he groups the Services as follows:

(1) Business management:

Business management; business management consultancy, business appraisals, relocation services for businesses, management of contract for the technical maintenance and repair of building and the installation, maintenance and repair of air conditionings;

(2) Real estate affairs:

Intermediary services in the field of real estate management; consultancy in the field of real estate; real estate evaluation; real estate management; real estate appraisal.

(3) Building construction, repair and installation:

Building construction; repair and maintenance of installations and apparatus for air conditionings; installation and repair of air conditioning apparatus; installation and repair of lifts; installation, maintenance and repair of office machinery and equipment; cleaning and repair of boilers; installation and repair of heating, information in the field of building, building construction supervision; building sealing; providing information for repair of installation and apparatus for air conditionings; building insulating, maintenance and repair of buildings; installation, maintenance and repair of pipes for buildings; consultation and engineering in the

field of energy, air conditioning and buildings, ecology, maintenance, installation and repair of air conditioning installations, and water analysis;

(4) Consultancy, research and engineering:

Technical consultancy and research in the field of energy, energy conservation; for the maintenance, repair and good functioning and installation of air conditionings; for the analysis of water, amongst others water contained in heating installations and air/water cooling apparatus; technical consultation and research in the field of engineering and energy and energy conservation.

- [20] With respect to such use, Mr. Sinéchal states that the Marks are "used in Canada in connection with the services covered by the trade mark registrations, on agreements, proposals, invoices and advertising and promotional materials." In support, he attaches a variety of documents under Exhibits 3 through 10.
- [21] The exhibits reflect the provision of services related to the planning, installation, operation, repair, and maintenance of air conditioning, heating systems, and ventilation equipment in buildings, as well as electrical work, piping, water treatment and related building maintenance and subcontracting management. The trade-mark AXIMA & Design appears on much of this documentation, which I accept constitutes use of both Marks in the performance of these services. Specifically, I consider that this evidence constitutes use of the Marks in the performance of all of the Services included under the general categories of Services described above as: (3) Building construction, repair and installation; and (4) Consultancy, research and engineering. In addition, I accept that this evidence supports use of the Marks with the Service described as "management of contract for the technical maintenance and repair of buildings and the installation, maintenance and repair of air conditionings".
- [22] At the oral hearing, the Registrant submitted that these exhibits also show that real estate and business management services were provided. For example, "management of real estate in terms of managing the energy consumption" of buildings.
- [23] Insofar as services are concerned, they are generally granted a generous or broad interpretation [Aird & Berlis v Virgin Enterprises Ltd (2009), 78 CPR (4th) 306 (TMOB); Société Nationale des Chemins de Fer Français SNCF v Venice Simplon-Orient-Express Inc et al (2000), 9 CPR (4th) 443 (FC)]. In addition, the Act makes no distinction between primary,

incidental or ancillary services [see *TSA Stores, Inc v Canada (Registrar of Trade-marks)* (2011), 91 CPR (4th) 324 at para 17 (FCTD)].

- Bearing these principles in mind, it is my understanding from the evidence that the Services provided as a whole relate to facilities management which in my view is but one aspect of property management. In this respect, I see the relationship in the present case to the broader service of real estate management, and understand from the evidence that the Services provided include consultation with clients in this area, as well as dealing with sub-contractors and suppliers for facilities management and operations purposes. As such, I accept that use has been shown with the following real estate related services: intermediary services in the field of real estate management; consultancy in the field of real estate; real estate management. However, I see nothing in the evidence to suggest that "real estate evaluation" and "real estate appraisal" services were provided.
- [25] Similarly, any connection to business management services is not clear from the evidence. It is well established that ambiguous evidence is to be interpreted against the interests of the registrant [Aerosol Fillers Inc v Plough (Canada) Ltd (1980), 45 CPR (2d) 194 at 198; aff'd 53 CPR (3d) 62 (FCA)]. Thus, I find that use has also not been shown of the Marks with the following business management services: Business management; business management consultancy, business appraisals, relocation services for businesses.
- [26] However, as previously indicated, I have already concluded that the Registrant has failed to show use of the Marks in association with any of the Services either by itself or use which inured to its benefit pursuant to section 50(1) of the Act.

Disposition

[27] Having regard to the aforementioned, pursuant to the authority delegated to me under section 63(3) of the Act, registration Nos. TMA644,829 and TMA644,773 will be expunged in compliance with the provisions of section 45 of the Act.

Kathryn Barnett Hearing Officer Trade-marks Opposition Board Canadian Intellectual Property Office