



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

Citation: 2012 TMOB 232
Date of Decision: 2012-11-30

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by Hudson's Bay Co. against registration
No. TMA477,770 for the trade-mark FAIRY BAY in the
name of John Roy Kropp**

[1] At the request of Hudson's Bay Co. the Registrar of Trade-marks issued a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) on January 25, 2011 to Fairy Bay Guest House Inc., the registered owner at the time of registration No. TMA477,770 for the trade-mark FAIRY BAY (the Mark). On September 20, 2012 an assignment was recorded transferring the registration for the Mark to John Roy Kropp. The term the Registrant will be used throughout the decision to refer to the registered owner of the Mark at the relevant times.

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

Wares: Clothing and wearing apparel, namely t-shirts, sweatshirts, hats, caps, scarves, gloves and handkerchiefs; food items, namely cakes, cookies, tarts, pies, pastries, muffins, donuts, rolls, bread, soups, spreads, jams, jellies, marmalades, honey and syrups; printed goods and stationery supplies, namely letterhead paper, note pads, calendars, agendas, envelopes, greeting cards, writing paper, postcards, guest books, invitations, memo pads, tags, labels and stickers; souvenir items, namely flags, banners, plaques, ashtrays, coasters, mugs, beer mugs, pencils, pencil holders, pens, paper weights, car emblems, key chains and handicrafts.

Services: Operation of a tourist home, guest house, country inn, bed and breakfast establishment, hotel, motel, restaurant, cafe, tea rooms and bar; the provision of temporary boarding and lodging in an inn, motel or tourist home; the arrangement, sponsoring and provision of space, facilities and personnel for entertainment, meetings, conferences and recreational activities.

[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 January 25, 2008 and January 25, 2011.

[4] The definition of “use” is set out in section 4 of the Act:

4(1) A trade-mark is deemed to be used in association with wares if, at the time of the transfer of the property in or possession of the wares, in the normal course of trade, it is marked on the wares themselves or on the packages in which they are distributed or it is in any other manner so associated with the wares that notice of the association is then given to the person to whom the property or possession is transferred.

(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) A trade-mark that is marked in Canada on wares or on the packages in which they are contained is, when the wares are exported from Canada, deemed to be used in Canada in association with those wares.

[5] It is well established that mere assertions of use are not sufficient to demonstrate use in the context of a section 45 proceeding [*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 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 or services specified in the registration during the relevant period.

[6] In response to the Registrar’s notice, the Registrant filed the statutory declaration of Robert Eugene Rye, President of Fairy Bay Guest House Inc., sworn on March 8, 2011. Neither party filed written arguments. An oral hearing was not held.

[7] As a preliminary issue, I note that all of the evidence shows use of either the word mark FAIRY BAY GUEST HOUSE or a design mark featuring the words FAIRY BAY GUEST HOUSE in an oval with the design of a bird in the center, shown below:



[8] I note that the use of a word mark can be supported by the use of a composite mark featuring the word mark and other elements [see *Nightingale Interloc Ltd v Prodesign Ltd* (1984), 2 CPR (3d) 535 (TMOB)].

[9] A trade-mark will be found to be used within the meaning of the Act if it is used in such a way that it does not lose its identity and remains recognizable in spite of the differences between the form in which it was applied for and the form in which it is used. As set out in *Registrar of Trade Marks v Compagnie Internationale Pour L'Informatique CII Honeywell Bull, Societe Anonyme et al* (1985), 4 CPR (3d) 523 (FCA) at 525:

The practical test to be applied in order to resolve a case of this nature is to compare the trade mark as it is registered with the trade mark as it is used and determine whether the differences between these two marks are so unimportant that an unaware purchaser would be likely to infer that both, in spite of their differences, identify goods having the same origin.

[10] I am satisfied that the FAIRY BAY element of the design mark is in a prominent position and is featured in a larger font and is therefore sufficiently distinguished apart from the remainder of the design mark such that use thereof also constitutes use of the Mark as a trade-mark *per se*.

Use with respect to the Services

[11] In his affidavit, Mr. Rye states that the Registrant was incorporated on May 2, 1995 to carry on business as a guest house in Huntsville, Ontario and to engage in other activities in the

hospitality industry. More specifically, he attests that since that time, the Registrant has continuously operated a guest house business including waterfront facilities with seven bedrooms, an apartment and two common rooms. He states that the Registrant offers many on-site activities to its guests, including swimming, boating, fishing, canoeing and kayaking as well as snowshoeing, cross-country skiing and ice-skating in the winter. Mr. Rye states that the hosts at the inn prepare and serve breakfast to guests.

[12] In support of these statements, Mr. Rye provides printouts from the Registrant's website as well as brochures, pamphlets, letters and postcards advertising the Services (Exhibits A – H). I note that, with the exception of the website printouts which are dated March 7, 2011, none of these advertising materials are dated. However, in combination with Mr. Rye's sworn statement that the Services were offered during the Relevant Period, I am willing to accept that the manner in which the Mark appears on the sample advertising materials is representative of the manner in which the Mark appeared on advertisements for the Services during the Relevant Period.

[13] Mr. Rye also states that the Mark has been used during the Relevant Period on four road signs in the area surrounding the Registrant's inn in Huntsville, Ontario. As proof of this, Mr. Rye attaches to his affidavit a sign application permit that was approved for installation on April 25, 1997 for two signs located on Cookson Bay Crescent in Ontario (Exhibit I).

[14] Mr. Rye further provides evidence of third party advertising activities engaged in by the Registrant during the Relevant Period. Specifically, Mr. Rye states that the Mark has been used during the Relevant Period in advertisements placed on various travel and bed and breakfast directory websites such as *bbcanada.com*, *BedandBreakfast.com*, *canadianbandbguide.ca*, *discovermuskoka.ca*, *huntsvillelakeofbays.on.ca*, *lodging-world.com*, *ontariotravel.net*, *torontolife.com*, *tripadvisor.com* and *virtualtourist.com*. Mr. Rye has attached printouts from these websites to his affidavit (Exhibit K). The materials were printed in January and February 2011 but in association with Mr. Rye's sworn statements, I am prepared to find that the Registrant was advertising its Services through these third party travel directory websites during the Relevant Period.

[15] I note that there is no reference in the evidence to the operation of a "restaurant, café, tea rooms and bar". Absent further evidence, and noting that the Registrant provided no written

representations on this point, I am not satisfied that the preparation of breakfast for guests as part of the operation of an inn constitutes the operation of a restaurant, café, tea room or bar. I am not prepared to infer from the evidence of record that the Registrant is offering these services.

[16] Similarly, there is no reference whatsoever in the evidence to meetings or conferences.

[17] Based on the foregoing, I am satisfied that the Registrant used the Mark in Canada in association with the following services during the Relevant Period:

Operation of a tourist home, guest house, country inn, bed and breakfast establishment, hotel, motel [...]; the provision of temporary boarding and lodging in an inn, motel or tourist home; the arrangement, sponsoring and provision of space, facilities and personnel for entertainment [...] and recreational activities.

[18] As there is no evidence of special circumstances that would excuse the absence of use of the Mark in association with the remaining services, the registration will be amended accordingly.

Use with respect to the Wares

[19] In his affidavit, Mr. Rye states that the Mark has been used during the Relevant Period on “clothing and wearing apparel; souvenir items; and printed goods and stationary supplies, such as correspondence, postcards, information booklets, pamphlets”. In support of this statement, Mr. Rye relies on the same brochures, pamphlets, letters and postcards referred to above (Exhibits B – H). Specifically, the Registrant relies on three undated brochures advertising the Registrant’s guest house and bed and breakfast services (Exhibits B, D, E); an undated letter to customers advising of availability for the winter season (Exhibit C); an undated postcard to customers wishing them a happy holiday season (Exhibit F); an undated card to customers wishing them a happy holiday season (Exhibit G) and an undated “Guidebook & Cookbook” advertising the Registrant’s guest house and bed and breakfast services (Exhibit H).

[20] Pursuant to section 4(1) of the Act, in order to establish use of the Mark in association with wares, the Mark must be applied to the wares or their packaging or otherwise be associated with the wares such that notice of association is given to customers at the time of transfer. In this case, notwithstanding Mr. Rye’s assertion, the exhibits do not show any evidence of such use in

association with “clothing and wearing apparel, namely t-shirts, sweatshirts, hats, caps, scarves, gloves and handkerchiefs; printed goods and stationery supplies, namely ... note pads, calendars, agendas, envelopes, ... guest books, ..., memo pads, tags, labels and stickers; souvenir items, namely flags, banners, plaques, ashtrays, coasters, mugs, beer mugs, pencils, pencil holders, pens, paper weights, car emblems, key chains and handicrafts”.

[21] Furthermore, even if I was willing to accept that the exhibits demonstrate display of the Mark on the Registrant’s letterhead paper, greeting cards, writing paper, postcards and invitations, I have no evidence of sales of these items during the Relevant Period in the normal course of trade or otherwise.

[22] With respect to the wares, “food items, namely cakes, cookies, tarts, pies, pastries, muffins, donuts, rolls, bread, soups, spreads, jams, jellies, marmalades, honey and syrups”, Mr. Rye states the following:

The Trade-mark has been used for the past three years in connection with recipes of food items served at breakfast, namely, cakes, cookies, tarts, pies, pastries, muffins, donuts, rolls, bread, soups, spreads, jams, jellies, marmalades, honey and syrups. The hosts have routinely provided to interested guests a printout of recipe(s) of food items served at the Fairy Bay Guest House with a stamp bearing the words “Fairy Bay Guest House” as appears from the sample attached hereto as Exhibit J.

[23] Without commenting on whether evidence of use of a trade-mark in association with a recipe would qualify as evidence of use of that trade-mark in association with a prepared food product, I note that the evidence is not sufficient to maintain the registration in association with these wares as I have no evidence of sales of these items during the Relevant Period.

[24] Based on the foregoing, I cannot conclude that the Registrant has demonstrated use of the Mark in association with any of the Wares. Furthermore, no special circumstances have been demonstrated that would excuse the absence of the use of the Mark in association with the Wares. Accordingly, the Wares will be deleted from the registration for the Mark.

Disposition

[25] In view of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act and in compliance with the provisions of section 45 of the Act, the registration will be

amended to delete all of the wares and to delete the services “restaurant, café, tea rooms and bar” and “meetings, conferences”.

[26] The revised statement of services will read as follows:

Operation of a tourist home, guest house, country inn, bed and breakfast establishment, hotel, motel; the provision of temporary boarding and lodging in an inn, motel or tourist home; the arrangement, sponsoring and provision of space, facilities and personnel for entertainment and recreational activities.

Andrea Flewelling
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office