



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2020 TMOB 143

Date of Decision: 2020-12-23

IN THE MATTER OF A SECTION 45 PROCEEDING

2571011 Ontario Limited

Requesting Party

and

Fig (Holding) SAL

Registered Owner

TMA882,211 for MAYRIG CUISINE

Registration

TRADITIONNELLE

INTRODUCTION

[1] At the request of 2571011 Ontario Limited (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) on July 24, 2017, to Fig (Holding) SAL (the Owner), the registered owner of registration No. TMA882,211 for the design trademark MAYRIG CUISINE TRADITIONNELLE (the Mark), shown below:

Mayrig cuisine traditionnelle



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

GOODS

Food products, namely semi-cooked, prepared and packed entrees consisting primarily of meat, cheese, fish, poultry and vegetables; and preserved, dried and cooked vegetables and fruits

SERVICES

Restaurant services, namely, preparing and serving all kinds of foods and drinks for consumption on the premises, take-out or delivery

[3] For the reasons that follow, I conclude that the registration ought to be expunged.

[4] The notice required the Owner to show whether the Mark had been used in Canada in association with the registered goods and services 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 July 24, 2014, to July 24, 2017.

[5] The relevant definitions of use are set out in section 4 of the Act as follows:

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

4(2) A trademark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.

[6] It is well established that mere assertions that a trademark is in 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 trademark in association with each of the goods and services

specified in the registration during the relevant period [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)].

[7] In response to the Registrar's notice, the Owner furnished the affidavit of Aline Kamakian, an owner and Manager of the Owner, sworn February 21, 2018. Only the Requesting Party submitted written representations. No oral hearing was held.

THE OWNER'S EVIDENCE

[8] Ms. Kamakian explains that the Owner operates restaurants in Lebanon, with franchises in Saudi Arabia and the United Arab Emirates, as well as planned additional franchises in Armenia and Saudi Arabia. She states that the Owner also operates a catering line and boutique grocery store in Lebanon. Additionally, she states that in 2011, she authored a cookbook featuring recipes from the Owner's menu, and that "[a]t least 1000 copies were sold or shipped to Canada". She states that in April 2012, she attended events in Montreal to promote the book and the Owner's restaurants and food.

[9] Ms. Kamakian states that the Owner has been involved in franchise negotiations to open a restaurant in Canada since June 2014. She explains that the franchising process can be lengthy; prior franchise negotiations involving the Owner have taken between two and four years, with a further one to two years between the conclusion of negotiations and the opening of the branch. She explains that the Owner was involved in unsuccessful negotiations to open a franchise in Canada from December 2014 to January 2015 and from June to July 2017, both of which were discontinued by the prospective franchisees. She states that these parties' decisions to discontinue negotiations were "[b]ased on circumstances beyond [the Owner]'s control". She further states that the Owner has been involved in ongoing negotiations to open a franchise in Toronto since December 2016, and in Montreal since March 2017, but that the prospective franchisees in both instances have been "hesitant to conclude franchise negotiations" due to a separate trademark matter involving the Owner. She indicates that one of the latter prospective franchisees "has a location secured" in Toronto.

[10] Finally, Ms. Kamakian states that "[o]n several occasions over the past 3 years, in the ordinary course of our business", the Owner has "shipped food product samples containing

vegetables, meat, fish or poultry and labelled with our Mayrig brand to Canada.” As Exhibit 1, she attaches photographs of a number of food products, including meat and cheese dumplings and pastries as well as chocolate, labeled with a logo which includes the cursive word “mayrig” and the design element of the Mark, but not the words “Mayrig cuisine traditionnelle”. She states that “[t]hese food products have either been shipped to Canada, or brought back by customers visiting our Beirut location.” As Exhibit 2, she includes “shipping and customs invoices for food products we shipped in July 2014.” The documents are dated July 5 and 6, 2014, and show a shipment of products listed only as “SUPPLEMENTS” and “FOOD” to a customer in Canada.

ANALYSIS

[11] The Requesting Party makes the following submissions: that the Owner’s evidence does not show use of the Mark within the meaning of the Act, and that the Owner has not described special circumstances excusing non-use of the Mark. Each submission will be considered in turn.

Use of the Mark

[12] The Requesting Party submits that the Owner’s evidence does not show use of the Mark in association with any of the registered goods or services. In particular, with respect to the registered goods, the Requesting Party notes the following:

- The packaging shown in Exhibit 1 does not display the Mark as registered.
- The exhibited photographs do not show the following registered goods: fish, poultry, vegetables, or preserved, dried and cooked vegetables or fruits.
- The exhibited invoices were issued by a party identified as Mayrig SAL, rather than the Owner, and the affiant has not explained the relationship, if any, with the Owner.
- The exhibited invoices are dated outside the relevant period and do not identify the products being transferred.

[13] I concur with the Requesting Party that the Owner’s evidence is not sufficient to show use of the Mark in association with any of the registered goods, as there is no evidence of a transfer of goods in association with the Mark during the relevant period. With respect to the goods depicted in the Exhibit 1 photographs, even if I were to accept that they display an acceptable variation of the Mark as registered, the Owner’s evidence is insufficient to show use for several reasons.

[14] First, I note that Ms. Kamakian states that such goods were transferred “[o]n several occasions over the past 3 years”; given that her affidavit was sworn on February 21, 2018, this three-year time period does not fully align with the relevant period. In *Grapha-Holding AG v Illinois Tool Works Inc*, 2008 FC 959 at para 22, the Federal Court held that “referring to use on dates that are contained both within and outside the relevant period does not provide clear evidence, because it cannot be determined if any use has occurred specifically during the relevant period.” Similarly, in this case, it is not clear whether the “several occasions” occurred during the relevant period in the absence of further evidence, such as a clear sworn statement by the affiant to that effect.

[15] I further note that Ms. Kamakian’s statement that “[t]hese food products have either been shipped to Canada, or brought back by customers visiting our Beirut location”, calls into question whether any transfer of the depicted goods would have occurred *in Canada*, as required by the Act, or whether the goods were purchased in Lebanon and brought back to Canada. In this respect, the Owner’s only evidence of a transfer of any goods in Canada are the Exhibit 2 documents relating to a single transaction that occurred shortly before the relevant period. As noted by the Requesting Party, Ms. Kamakian describes these documents as relating only to “food products”, without stating that these are the same products shown in Exhibit 1, and the documents themselves refer only to “SUPPLEMENTS” and “FOOD”. Accordingly, even if I were to accept that the exhibited documents show a transfer of goods by the Owner to a Canadian customer, the documents predate the relevant period and do not identify any of the registered goods. Furthermore, this single transaction does not establish a pattern regarding the Owner’s normal course of trade.

[16] In sum, the Owner has not established that any of the registered goods were transferred in Canada in the normal course of trade during the relevant period. Accordingly, I am not satisfied that the Owner has demonstrated use of the Mark in association with any of the registered goods.

[17] Similarly, the Requesting Party submits that the Owner has not established use of the Mark in association with the registered services. With respect to the Ms. Kamakian’s promotional activities in Montreal in 2012, the Requesting Party observes that there is no indication as to whether, or how, the Mark was displayed in association with the registered

services in the course of such promotional activities, and in any event, that there is no evidence that such activities continued into the relevant period. Accordingly, the Requesting Party submits, and I agree, that despite Ms. Kamakian's promotional activities in Montreal in 2012, there is no indication that the Owner offered or performed the registered "restaurant services" in Canada in association with the Mark or otherwise at any time. Accordingly, I am not satisfied that the Owner has demonstrated use of the Mark in association with the registered services.

Special Circumstances

[18] As there is no evidence of use of the Mark in Canada during the relevant period, the issue is whether, pursuant to section 45(3) of the Act, there were special circumstances which excused such non-use. The general rule is that absence of use will be penalized by expungement, but there may be an exception where the absence of use is excusable due to special circumstances [*Smart & Biggar v Scott Paper Ltd*, 2008 FCA 129 (*Scott Paper*)].

[19] To determine whether special circumstances have been demonstrated, the Registrar must first determine, in light of the evidence, why in fact the trademark was not used during the relevant period. Second, the Registrar must determine whether these reasons for non-use constitute special circumstances [*Registrar of Trade Marks v Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 (FCA) (*Harris Knitting*)]. The Federal Court has held that special circumstances mean circumstances or reasons that are "unusual, uncommon, or exceptional" [*John Labatt Ltd v Cotton Club Bottling Co* (1976), 25 CPR (2d) 115 (FCTD) at para 29].

[20] If the Registrar determines that the reasons for non-use constitute special circumstances, the Registrar must still decide whether such special circumstances excuse the period of non-use. This involves the consideration of three criteria: (i) the length of time during which the trademark has not been in use; (ii) whether the reasons for non-use were beyond the control of the registered owner; and (iii) whether there exists a serious intention to shortly resume use [*Harris Knitting*]. All three criteria are relevant, but satisfying the second criterion is essential for a finding of special circumstances excusing non-use [*Scott Paper*].

[21] In this case, as noted above, Ms. Kamakian states that the Owner has been seeking to open a franchise in Canada but has thus far been unsuccessful in its franchise negotiations. In

this respect, she refers to negotiations with two potential franchisees which were discontinued by those individuals due to unspecified “circumstances beyond [the Owner]’s control”, and ongoing negotiations which have been delayed by a trademark dispute involving the Owner. Accordingly, based on Ms. Kamakian’s statements, the reasons for non-use appear to be the discontinued or delayed franchise negotiations. However, in the absence of further details from the Owner regarding the circumstances of its business or these negotiations in particular, it is not clear that the failure of the negotiations would amount to unusual, uncommon, or exceptional circumstances, or that they were not simply due to poor market conditions [see *Lander Co Canada Ltd v Alex E Macrae & Co* (1993), 46 CPR (3d) 417 (FCTD)]. Similarly, I note that the Federal Court has held that a trademark dispute is not necessarily an exceptional occurrence in business [see *Jose Cuervo SA de CV v Bacardi & Co*, 2009 FC 1166, aff’d 2010 FCA 248; *Karoun Dairies Inc v Karoun Dairies SAL*, 2013 TMOB 228].

[22] In view of the foregoing, I am not satisfied that the Owner has provided reasons for non-use of the Mark amounting to special circumstances.

[23] In any event, even if I were to accept that the discontinued or delayed franchise negotiations constituted special circumstances, these circumstances would not excuse non-use of the Mark, given that I would not be satisfied that the reasons for non-use were beyond the control of the Owner in the absence of further information regarding negotiations with the prospective licensees. In this respect, Ms. Kamakian states that two of the negotiations ended when the prospective franchisees “decided to discontinue negotiations” due to unspecified “circumstances beyond [the Owner]’s control”, with no further detail provided. In the absence of such detail, it is unclear whether the end of these negotiations were truly beyond the control of the Owner. For example, the prospective franchisees’ decision to discontinue negotiations may have been due to business decisions or other actions of the Owner within its control.

[24] Finally, I would also not be satisfied that the Owner has demonstrated a serious intention to resume use of the Mark. In this respect, I note that an owner’s intention to resume or commence use must be substantiated by the evidence [see *Arrowhead Spring Water Ltd v Arrowhead Water Corp* (1993), 47 CPR (3d) 217 (FCTD)]. Although the Owner refers to ongoing but delayed negotiations with two prospective franchisees, I note that negotiations or

discussions with potential licensees or franchisees, without more, are insufficient to demonstrate serious intention to resume use [*Canada Goose Inc v James*, 2016 TMOB 145 at para 47; *NTD Apparel Inc v Ryan* (2003), 27 CPR (4th) 73 (FCTD) at para 26]. In this case, Ms. Kamakian refers to ongoing negotiations but provides no time frame for the Owner to commence use of the Mark in Canada. As such, I would also not be satisfied that the Owner has provided sufficient evidence to substantiate a serious intention to shortly commence or resume use of the Mark.

DISPOSITION

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

G.M. Melchin
Hearing Officer
Trademarks Opposition Board
Canadian Intellectual Property Office

**TRADEMARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

HEARING DATE No Hearing Held

AGENTS OF RECORD

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For the Registered Owner

Lorraine May Fleck

For the Requesting Party