

LE REGISTRAIRE DES MARQUES DE COMMERCE THE REGISTRAR OF TRADEMARKS

> Citation: 2021 TMOB 60 Date of Decision: 2021-03-31

## IN THE MATTER OF A SECTION 45 PROCEEDING

Pillar IP, Inc.

**Requesting Party** 

and

Regent Hospitality Worldwide, Inc. aRegistered OwnerCayman Islands CompanyTMA478,149 for THE REGENTRegistrationDESIGNDESIGNRegistration

**INTRODUCTION** 

[1] This is a decision under section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) with respect to registration No. TMA478,149 for the trademark THE REGENT DESIGN (the Mark), which is owned by Regent Hospitality Worldwide, Inc. a Cayman Islands Company (the Owner):

[2] The Mark is registered for use in association with the goods and services set out in Schedule A.

[3] For the reasons that follow, I conclude that the registration ought to be maintained for the following services:

- (1) Chauffeur services, arranging of travel, of transport and of tours; baggage and passenger check-in services.
- (2) Provision and booking of health club facilities, spa facilities, recreational facilities, sports facilities and exercise facilities.
- (3) Hotels and restaurant services; bar and cocktail lounge services; ice-cream parlour services; crèche and baby-sitting services.

## THE PROCEEDINGS

[4] At the request of Pillar IP, Inc. (the Requesting Party), the Registrar of Trademarks issued a notice to the Owner under section 45 of the Act on February 20, 2018.

[5] The notice required the Owner to show whether the trademark has been used in Canada in association with each of the goods 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 February 20, 2015 to February 20, 2018.

[6] The definition of "use" for goods and services is set out in section 4 of the Act:

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.

(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.

[7] In the absence of use as defined above, a trademark is liable to be expunged unless the absence of use is due to special circumstances that excuse the absence of use [section 45(3) of the Act].

[8] It is well established that the purpose and scope of section 45 of the Act is to provide a simple, summary, and expeditious procedure for removing "deadwood" from the register. As such, the evidentiary threshold that the registered owner must meet is quite low [*Performance Apparel Corp v Uvex Toko Canada Ltd*, 2004 FC 448 at para 68] and "evidentiary overkill" is not required [*Union Electric Supply Co v Canada (Registrar of Trade Marks)* (1982), 63 CPR (2d) 56 (FCTD) at para 3]. Nevertheless, sufficient facts must still be provided to allow the Registrar to conclude that the mark was used in association with <u>each</u> 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) at para 14; *Miller Thomson LLP v Hilton Worldwide Holding LLP*, 2020 FCA 134 (*Hilton*) at para 10].

[9] In response to the Registrar's notice, the Owner furnished the affidavit of Ellen Chang, sworn on June 22, 2018. Both parties submitted written representations. Neither party requested a hearing.

#### THE EVIDENCE

[10] Ms. Chang is the Group Executive Director of Marketing for Formosa International Hotels Corporation (FIHC). In this role, she is involved in marketing and communications for hotel including providing marketing guidance to hotels and developing promotional campaigns to drive consumer loyalty (para 2). The Owner is a wholly owned subsidiary of FIHC and it is one of several subsidiaries operated as part of the Regent Hotels & Resorts Group (para 6).

[11] Ms. Chang attests that the Mark has been used worldwide and in Canada by the Owner and/or through its licensees in association with the registered goods and services (para 11). She provides a list of these licensees, including Seven Seas Cruises, S.DE.R.L. (SSC), which operates cruise ships with the Mark branded on them (para 12). The Owner has exercised direct control over the character and quality of the registered goods and services that were provided and promoted by its licensees in Canada in association with the Mark (para 13).

[12] The Owner operates hotels in cities outside of Canada (para 17). Ms. Chang provides printouts from the Owner's website displaying the Mark including information about each of the REGENT hotels, some of which are dated during the relevant period and some of which

appeared in the same manner during the relevant period (paras 17 and 19; Exhibits E and G). Ms. Chang also provides photographs of the hotels' facades with the Mark displayed on them, which she states are representative of how they appeared during the relevant period (para 18; Exhibit F). Ms. Chang indicates that Canadians can make a reservation at the Owner's hotels in Canadian dollars, and she provides details on the number of customers who made bookings through the Owner's website, the number of website visitors from Canada, and the amount of revenue earned from Canadian customers who stayed at the Owner's hotels (paras 19, 21 and 28). Ms. Chang also provides a copy of an invoice displaying the Mark which is made out to a customer from Canada for a hotel stay and is representative of invoices made out to customers during the relevant period (Exhibit P).

[13] Through SSC, the Owner provides hotel and resort services aboard its cruise line, which Ms. Chang characterizes as "floating five-star luxury hotels" (para 22). These cruises are offered in a variety of locations including on the east and west coasts of Canada. Printouts from SSC's website and photographs of cruise ships with the Mark displayed on them, some of which are dated during the relevant period are included in the evidence (paras 23 to 26; Exhibits I to N). Ms. Chang indicates that cruise packages are offered in special Canadian dollar pricing at an all-inclusive rate (para 23). Ms. Chang explains that average annual revenue figures generated by SSC through its cruise ships operating in Canada are not known to the Owner who receives a licensing royalty that cannot be disclosed for confidentiality reasons (para 30).

[14] With respect to the registered goods, Ms. Chang provides sample photographs of the goods with the Mark (Exhibit O). She states that these goods were circulated and provided to the Owner's employees for use during their work at the Owner's hotels and they were provided to guests in their rooms for use or to take home (para 27). Ms. Chang explains that these goods are considered sold under the fee rate charged by the Owner for reserving accommodations at its hotels (para 27).

[15] Ms. Chang states that the registered goods and services have been advertised and promoted by the Owner or its licensees in association with the Mark (para 31). She provides promotional brochures and articles that were published in digital and print media (Exhibits Q and R), and explains that these are representative of those circulated during the relevant period (paras

32 and 33). Ms. Chang also provides details on the advertising budget of the Owner (and its licensees) for promotion of the Mark in North America (para 34). Ms. Chang states that these numbers are tracked by region rather than by country; as a result, specific numbers for Canada cannot be provided (para 34).

#### ANALYSIS AND REASONS FOR DECISION

### **Requirements of Section 50(1) are Met**

[16] Ms. Chang makes a clear, sworn statement that the Owner exerts the requisite control over the quality of the goods and services (para 13). This is sufficient to meet the requirements set out in section 50(1) of the Act [*Empresa Cubana del Tabaco v Shapiro Cohen*, 2011 FC 102 at para 84, aff'd 2011 FCA 340].

### Use of the Mark as Registered is Shown

[17] The trademark that appears in evidence consists of "Regent" in stylized font without "the", which forms part of the Mark as registered. The Requesting Party submits that the stylized "Regent" design (without "- the") is the subject of other trademark registrations. First, evidence is not received from a requesting party during section 45 proceedings. Second, this is not relevant for the purposes of determining whether there is use of the Mark [*Oyen Wiggs Green & Mutala v Rubicon Products Limited*, 2007 CanLII 80981]. As the dominant feature of the Mark (namely, the stylized "Regent") is preserved, the Mark does not lose its identity and is recognizable; I am therefore satisfied that use of the trademark in evidence constitutes use of the Mark as registered [*Canada (Registrar of Trademarks) v Cie international pour l'informatique CII Honeywell Bull SA* (1985), 4 CPR (3d) 523 (FCA) at para 5; *Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA) at paras 34 to 36].

### Use is Shown for Hotel and Hotel Related Services

[18] I find that use has been shown for the following services:

Chauffeur services, arranging of travel, of transport and of tours; baggage and passenger check-in services.

Provision and booking of spa facilities, recreational facilities, sports facilities and exercise facilities.

Hotels and restaurant services; bar and cocktail lounge services; ice-cream parlour services; crèche and baby-sitting services.

#### SSC's Cruises to/from Canada

[19] The evidence is that cruises bearing the Mark were operated in Canada by one of the Owner's licensees (namely, SSC) who provided hotel and resort services on what Ms. Chang refers to as "floating five-star luxury hotels" during the relevant period (para 22; Exhibits I to N). The booking rate for the cruises is inclusive of all of the following: flight bookings, shore excursions, meals at gourmet restaurants, wellness facilities, accommodation, pre-cruise hotel accommodations and tours, airport transfers, spa and fitness centres, nightly entertainment, medical services and kids' activities (para 23).

[20] Exhibits J and M to Ms. Chang's affidavit are archived screen captures with the Mark displayed in the top left corner of the webpages, which are dated during the relevant period. The webpages refer to "ALL-INCLUSIVE CANADA/NEW ENGLAND CRUISES" and information is provided on cruises to/from Canadian cities with departure and itinerary dates during the relevant period. The webpages also contain details on what is included in the fares, such as round trips by air with transfers between airport and ship, shore excursions (including tours available in Canadian ports), beverages including wines and spirits, open bars and lounges, specialty restaurants, and spa facilities. Similar to *Hilton* at paras 18 and 93, where there was evidence that the cost of providing ancillary services was included in the room rate, there is also evidence in this case from Ms. Chang that the rate charged by SSC for its cruises is inclusive of the services listed above (para 23).

[21] In a promotional brochure which prominently features the Mark attached at Exhibit Q, additional information is provided on other items that are part of the all-inclusive rate, such as luggage services, youth programs, an ice cream creamery, and pool, fitness and sports facilities. Although dated after the relevant period, Ms. Chang states that this is representative of the type of brochures that would be circulated to customers during the relevant period (para 32).

[22] For ease of reference, the specific evidence relied on for each registered service is indicated in brackets beside the respective service:

Chauffeur services, arranging of travel, transport and of tours (Exhibit J; Exhibit M; Exhibit Q); baggage services (Exhibit Q, page 9).

Provision and booking of spa facilities (Exhibit J; Exhibit Q, pages 9 and 21), recreational facilities (Exhibit Q, pages 6, 9, 18 and 21), health club, sports facilities and exercise facilities (Exhibit Q, pages 18 and 21).

Hotels and restaurant services (Exhibit J; Exhibit M; Exhibit Q); bar and cocktail lounge services (Exhibit J; Exhibit M; Exhibit Q, pages 3, 6, 9 and 21); ice-cream parlour services (Exhibit Q, page 18); crèche and baby-sitting services (Exhibit Q, page 22).

[23] As the cruises travel in Canada and to Canadian ports, I find that the services identified above are performed in Canada.

[24] The requesting party submits that cruise services are not covered by this registration and refers to another of the Owner's registrations which covers cruise services. First, the requesting party cannot submit evidence during the course of a section 45 proceeding. Second, the issue of other registrations is not one which informs the Registrar's assessment of whether there is use of a trademark. In this case, the Owner's evidence is that hotel and resort services are offered aboard the cruise line (para 22). Furthermore, the Act does not define "services" and it does not distinguish between primary, incidental or ancillary services; as a result, "services" should be liberally construed – it is a service as long as some members of the public (consumers or purchasers) receive a benefit from the activity in question [*Hilton* at paras 107 to 110 and 112 to 115]. In this case, even if the primary service is cruise ship services, hotel and resort services and the remainder of the services listed in paragraph 22 above (and repeated in para 25 below) are ancillary to cruise ship services.

[25] Accordingly, I conclude that there was use of the Mark in association with the following services within the meaning of sections 4(2) and 45 of the Act:

Chauffeur services, arranging of travel, of transport and of tours; baggage and passenger check-in services.

Provision and booking of health club facilities, spa facilities, recreational facilities, sports facilities and exercise facilities.

Hotels and restaurant services; bar and cocktail lounge services; ice-cream parlour services; crèche and baby-sitting services.

## The Owner's Hotels Outside of Canada

[26] If I am incorrect in finding that the use of the Mark in association with the services provided on the cruise ships could constitute hotel services, I still would have maintained the registration with respect to hotel services.

[27] I find that the ability to reserve a particular type of hotel room at a specific hotel operated by the Owner or its licensees in a particular location for a specified price constitutes a material benefit to the Canadian consumer [*Hilton* at paras 130 and 152].

[28] In this case, Ms. Chang indicates that 169 customers booked hotel rooms through the Owner's website from Canada from January 2016 to December 2017 and there were over 9,700 unique hits to the Owner's website from Canada each year (para 21). In addition, during the relevant period, the Owner's average annual revenue figures were in excess of \$90,000 Canadian dollars for providing the registered services through its hotels to customers from Canada (para 28). I find that this information (e.g., website metrics, number of customers and sales figures) is helpful in establishing "use" of the Mark in Canada [*Hilton* at para 148].

[29] Moreover, Ms. Chang provides a reservation page in her affidavit with the Mark displayed at the top, which she states is representative of how it appeared during the relevant period (para 19; Exhibit G). As a result, I am satisfied that customers would associate the Mark with hotel services when they make a reservation online. In this case, there is a sufficient degree of interactivity between the Owner and customers from Canada to amount to "use" of the Mark in Canada in association with hotel services [*Hilton* at para 147].

### No Use is Shown for Management and Marketing Services

[30] Although some evidence is provided with respect to management, marketing and promotion services for hotels, restaurants and resorts, the evidence is not sufficient to show that these services are performed or delivered in Canada within the meaning of the Act. While the evidence is that the Owner provides these services to its licensees, it is not apparent that the

services to the licensees are performed in Canada. Nor is it clear that any consumers in Canada received a material benefit from these services (as the evidence is limited to services related to management and marketing of the Owner's own hotel services). As there are no special circumstances in evidence which would excuse non-use, the following services will be deleted from the registration:

Management and marketing of hotels, resorts, accommodations and restaurants; rendering assistance and advice in the management, marketing and promotion of hotels, resorts, accommodations and restaurants.

#### No Use with the Remaining Registered Services

[31] The remaining registered services are set out below:

typing and secretarial services; travel agency and tourist agency services; catering services; arranging and conducting of banquets; arranging for the provision of medical services for hotel guests.

[32] Ms. Chang's statement that the Mark has been in use in association with all of the registered services (paras 11 and 16), is insufficient on its own to show use of the Mark in association with these services [*Aerosol Fillers Inc v Plough (Can) Ltd* (1980), 53 CPR (2d) 62 at paras 9 and 10].

[33] To the extent that these remaining services appear in exhibits dated after the relevant period, since Ms. Chang does not state that the exhibits are representative of how the contents appeared during the relevant period, this evidence does not support a finding of use within the meaning of the Act (paras 17, 20 and 23 to 26; Exhibits H, I and L; portions of Exhibits E, K and N). For example, while some evidence is provided with respect to medical services, these services are only mentioned in the context of world cruises that occurred after the relevant period (para 23; Exhibit Q, pages 201 and 205). There is no indication that Canadians were aboard these world cruises or that these services were provided on cruises to/from Canada at any time and, specifically, during the relevant period. Indeed, the itineraries for these world cruises do not list any stops in Canada, and medical services are not discussed anywhere else in the evidence.

[34] As a result, I am not satisfied that there was use of the Mark in association with these services within the meaning of section 4(2) the Act; nor has the Owner provided any special circumstances excusing non-use of the Mark in association with these services. Accordingly, the following services will be deleted from the registration:

typing and secretarial services; travel agency and tourist agency services; catering services; arranging and conducting of banquets; arranging for the provision of medical services for hotel guests.

## No Use is Shown for the Registered Goods

[35] The registered goods were provided to the Owner's employees and to hotel and resort guests in their rooms for use or to take home. The Owner considers them sold to guests under the fee rate charged to reserve accommodations (para 27). The Mark is displayed with the word "Singapore" on the sample photographs of the registered goods (Exhibit O). Based on this evidence, and in the absence of evidence to the contrary, I find that the registered goods were transferred at the Owner's hotels abroad. Notably, there is no evidence to suggest that the registered goods were provided on cruise ships operating in Canada. As a result, I am not satisfied that there was use of the Mark in Canada in association with the registered goods within the meaning of section 4(1) of the Act. Nor is there any evidence of special circumstances which would excuse the non-use of the Mark.

### DISPOSITION

[36] Based on the findings above, 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 the statement of goods in its entirety and the statement of services shown struckout below:

- (1) Management and marketing of hotels, resorts, accommodations and restaurants; typing and secretarial services; rendering assistance and advice in the management, marketing and promotion of hotels, resorts, accommodations and restaurants.
- (2) Chauffeur services; travel agency and tourist agency services; arranging of travel, of transport and of tours; baggage and passenger check-in services.

- (3) Provision and booking of health club facilities, spa facilities, recreational facilities, sports facilities and exercise facilities.
- (4) Hotels and restaurant services; bar and cocktail lounge services; catering services; ice-cream parlour services; arranging and conducting of banquets; arranging for the provision of medical services for hotel guests; crèche and baby-sitting services.
- [37] The statement of services will now read as follows:
  - (1) Chauffeur services, arranging of travel, of transport and of tours; baggage and passenger check-in services.
  - (2) Provision and booking of health club facilities, spa facilities, recreational facilities, sports facilities and exercise facilities.
  - (3) Hotels and restaurant services; bar and cocktail lounge services; ice-cream parlour services; crèche and baby-sitting services.

Natalie de Paulsen Member Trademarks Opposition Board Canadian Intellectual Property Office

#### SCHEDULE A

### Goods:

(1) Magazines, newsletters, promotional brochures, and printed stationery, namely letterhead, envelopes and notepaper for use by hotel and resort guests and personnel.

#### Services:

- (1) Management and marketing of hotels, resorts, accommodations and restaurants; typing and secretarial services; rendering assistance and advice in the management, marketing and promotion of hotels, resorts, accommodations and restaurants.
- (2) Chauffeur services; travel agency and tourist agency services; arranging of travel, of transport and of tours; baggage and passenger check-in services.
- (3) Provision and booking of health club facilities, spa facilities, recreational facilities, sports facilities and exercise facilities.
- (4) Hotels and restaurant services; bar and cocktail lounge services; catering services; icecream parlour services; arranging and conducting of banquets; arranging for the provision of medical services for hotel guests; crèche and baby-sitting services.

## TRADEMARKS OPPOSITION BOARD CANADIAN INTELLECTUAL PROPERTY OFFICE AGENTS OF RECORD

# HEARING DATE No Hearing Held

## AGENTS OF RECORD

Marks & Clerk

Pillar IP, Inc.

For the Registered Owner

For the Requesting Party