

# LE REGISTRAIRE DES MARQUES DE COMMERCE THE REGISTRAR OF TRADEMARKS

**Citation: 2021 TMOB 167** 

Date of Decision: 2021-07-27

# IN THE MATTER OF A SECTION 45 PROCEEDING

Tai Lung (Canada) Inc. Requesting Party

and

The Absolut Company Aktiebolag Registered Owner

TMA420,298 for ABSOLUT Registration

## **OVERVIEW**

- [1] This is a decision involving a summary expungement proceeding with respect to registration No. TMA420,298 for the trademark ABSOLUT (the Mark).
- [2] The Mark is registered for use in association with the following goods and services:

#### **GOODS**

(1) Jewelry, namely, pins and cufflinks; clocks and watches; purses, umbrellas, luggage and tote bags; cocktail sticks; salt and pepper shakers; drink pourers; napkin holders; bottle coolers; glass bowls; combs and brushes; coat hanger tags; jackets, shirts, sweaters, t-shirts, jerseys, aprons, belts, caps, sweat shirts, swim wear, ski suits, ties and shorts; personalized beverage bottles; golf balls, tees and golf bags; towels; bartender items, namely drink shakers; and electrical signs.

- (2) Magazines.
- (3) Drinking glasses, shirts, scarves and ice buckets.

#### **SERVICES**

- (1) Financial sponsorship of and contribution to charities, educational and cultural institutions; financial sponsorship of participants in competitive sailing events.
- (2) Organization and promotion through the distribution of printed material of sports events, namely golf tournaments.
- (3) Entertainment services, namely the organization, production and promotion through television broadcasts and distribution of printed material of musical concerts and fashion shows.
- [3] For the reasons that follow, I conclude that the registration ought to be maintained in part.

## THE PROCEEDING

- [4] At the request of Tai Lung (Canada) Inc. (the Requesting Party), the Registrar of Trademarks issued a notice pursuant to section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) to The Absolut Company Aktiebolag (the Owner) on February 15, 2018.
- [5] The notice required the Owner to show whether the Mark was 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.
- [6] In this case, the relevant period for showing use is between February 15, 2015 and February 15, 2018. In the absence of use during this period, pursuant to section 45(3) of the Act, the Mark is liable to be expunged, unless the absence of use is excused by special circumstances.
- [7] In response to the Registrar's notice, the Owner submitted the affidavit of Sophie Regisser sworn on September 5, 2018.
- [8] Both parties filed written representations. Only the Owner was represented at an oral hearing.

#### PRELIMINARY REMARKS REGARDING DEVIATION

- [9] As a preliminary matter, I wish to mention that some of the evidence provided shows the Mark followed by a period. Nevertheless, in my view, the additional material does not cause the Mark to lose its identity. The dominant feature, namely the term ABSOLUT, having been preserved, I find that the Mark remains recognizable [per *Canada (Registrar of Trade-marks) v Cie International pour l'informatique CII Honeywell Bull* (1985), 4 CPR (3d) 523 (FCA) and *Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)].
- [10] Similarly, while some of the evidence provided shows the Mark followed by the word NIGHTS, I find that this does not cause the Mark to lose its identity as the dominant feature is preserved and the word NIGHTS would be readily perceived as simply descriptive of the events which were produced in association with the Mark [Nightingale Interloc Ltd v Prodesign Ltd (1984), 2 CPR (3d) 535 (TMOB)].
- [11] As a result, I have considered that the display of "ABSOLUT." and of "ABSOLUT NIGHTS" amount to display of the Mark.

## SUMMARY OF THE OWNER'S EVIDENCE

- [12] In her affidavit, Ms. Regisser explains that she is the Senior Intellectual Property Counsel Groups Intellectual Property Pernod Ricard SA. She also explains that the Owner is "part of the Pernod Ricard Group" and that as part of her responsibilities, she manages and oversees the trademarks of the Owner.
- [13] She states that the Owner is a producer of vodka and vodka-based beverages, that the Owner is "highly involved in the community via various charitable and cultural initiatives" and that the Owner has used the Mark in Canada during the relevant period through its licensee Corby Spirit and Wine Limited (Corby), in association with services she identifies and defines as follows:

Entertainment services, namely the organization, production and promotion through television broadcasts and distribution of printed material of musical concerts ("Musical Concerts") and

- Financial sponsorship of and contribution to charities and cultural institutions ("Financial Sponsorship").
- [14] Ms. Regisser states that Corby is responsible for the distribution, import, marketing and sale of the Owner's products and services in Canada, in accordance with the Owner's quality standards and under the control of the Owner.
- [15] Ms. Regisser attests that Corby has organized, produced and promoted musical concerts in Canada under the name "Absolut Nights" and, in relation to such events, that the Owner "has partnered with nightlife communities… by supporting various causes".
- [16] In particular, in fiscal year 2016-17, more than 2000 people attended Absolut Nights events in Canada. These were held in Montreal, Ottawa, Toronto and Vancouver. As Exhibit 1 to her affidavit, Ms. Regisser attaches a copy of an invitation for such events. The invitation promotes four event dates in 2016 and displays the Mark. Similarly, in fiscal year 2017-18, Absolut Nights were held in Montreal, Toronto and Vancouver for a total of eleven events. Ms. Regisser provides the dates of each event. Although some of the events were held after the relevant period, there is one event during the relevant period, namely on January 6, 2018 in Toronto. As Exhibit 2 to her affidavit, Ms. Regisser attaches copies of invitations for two panel discussion events which were held in May 2018, but promoted during the relevant period. One of these invitations reads "Progressive nightlife as a catalyst for global change".
- [17] Ms. Regisser attests that the Mark was displayed on-site at Absolut Nights events, on what she refers to as "event and bar assets". As Exhibit 3 to her affidavit, she attaches pictures of such assets which were used at Absolut Nights and are representative of how the Mark was displayed in association with Musical Concerts services during the relevant period. I note that the Mark is present on drink tickets, ice buckets, carafes, serving trays, bar mats, cups and a marquee sign, among other items. Included in Exhibit 3 is a sign promoting an environment "free from hate speech, violence, predatory and discriminatory behaviours"; this sign displays the Mark followed by the phrase "Create a better tomorrow, tonight".
- [18] Absolut Nights were promoted by Corby through social media, flyers, invitations and posters. As Exhibit 4 to her affidavit, Ms. Regisser attaches extracts from social media publications during the relevant period. This exhibit essentially consists of Facebook and

Instagram campaign summaries showing amounts spent on each campaign and other related information such as numbers of clicks. The exhibited summaries include excerpts of the social media publications. The Mark is displayed in these publications, by itself and sometimes as part of the event name: Absolut Nights. I also note that some of the publications include a video thumbnail.

- [19] According to Ms. Regisser, the Owner also provides Financial Sponsorship services to help others in raising money for various causes in Canada and has, in this respect, entered into "a number of sponsorship agreements for Financial sponsorship services" through its licensee Corby during the relevant period.
- [20] For instance, pursuant to a sponsorship agreement with the Art Gallery of Ontario dated September 1, 2017, Corby sponsored and contributed to the organization of a series of events called First Thursdays which took place during the relevant period. Ms. Regisser explains that "Corby contributed to the organization of the events and was involved in raising donations under the Trademark ABSOLUT". As Exhibit 5 to her affidavit, Ms. Regisser attaches photographs showing how the Mark was displayed at the events, including on signage and drink cups.
- [21] Ms. Regisser also explains that Corby entered into sponsorship agreements with two charitable organizations supporting the lesbian, gay, bisexual and transgender community: Rainbow Railroad (helping LGBT individuals "escape violence and persecution in their home countries") and Inside Out (supporting the "promotion, production and exhibition of film and video made by and about the LGBT community"). While Ms. Regisser states that these agreements were negotiated during the relevant period, the sponsorship relationships with these organizations began after the relevant period, namely in March and April 2018.

#### ANALYSIS AND REASONS FOR DECISION

- [22] At the outset, it is worth noting that the Owner concedes that there is no evidence of use of the Mark in association with goods nor with the following services:
  - services (1), namely "financial sponsorship of participants in competitive sailing events",
  - services (2), namely "Organization and promotion... of... golf tournaments", and

• services (3), namely "organization, production and promotion... of... fashion shows".

As there is no evidence before me of special circumstances excusing non-use of the Mark, these services as well as the entirety of the registered goods will be deleted from the registration.

- [23] The issue before me is therefore to determine whether the Owner has shown use within the meaning of section 45 in association with the following services:
  - (1) Financial sponsorship of and contribution to charities, educational and cultural institutions; and
  - (3) Entertainment services, namely the organization, production and promotion through television broadcasts and distribution of printed material of musical concerts.
- [24] The relevant definition of use in the present case is set out in section 4(2) of the Act: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.
- [25] I note that the Requesting Party's written submissions are largely focused on the absence of evidence showing use in association with goods. Nevertheless, to the extent that those submissions also apply to the asserted services, they will be addressed below. In particular, the Requesting Party argues that the Owner has not shown that use of the Mark by Corby enures to the benefit of the Owner.

# Use of the Mark by Corby enures to the benefit of the Owner

Pursuant to section 50(1) of the Act, for a licensee's use of a trademark to enure to the trademark owner's benefit, the owner must have maintained direct or indirect control of the character or quality of the subject services. As stated by the Federal Court, there are three main methods by which a trademark owner can demonstrate the requisite control: 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 licence agreement that provides for the requisite control [*Empresa Cubana Del Tobaco Trading v Shapiro Cohen*, 2011 FC 102 at para 84].

[27] The Requesting Party argues that the Owner has not provided evidence of public notice pursuant to section 50(2) of the Act and, therefore, that there can be no presumption that Corby's use of the Mark is licensed use. However, there is no need to presume licensed use. In this case, Ms. Regisser clearly states that Corby operates in accordance with the Owner's quality standards and works closely with the Owner regarding the distribution, sale and promotion of the Owner's services. Ms. Regisser also asserts that the Owner controls such activities carried out by Corby. In my view, this is sufficient to satisfy the requirements of section 50(1) such that use of the Mark by Corby enures to the benefit of the Owner.

# Use in association with Musical Concerts and Financial Sponsorship services

- [28] The evidence is clear that musical concerts, namely Absolut Nights, were held in Canada during the relevant period and that Corby organized, produced and promoted these events. In this regard, the Owner provides specific locations, dates and attendance of the events held, as well as examples of promotional material, namely the Exhibit 2 invitations and Exhibit 4 social media publication excerpts which show thumbnails for promotional videos. The Mark was displayed on event and bar assets at the events themselves and on the exhibited promotional material.
- [29] As a result, and despite the absence of evidence relating to television broadcasts, I am satisfied that the Owner has shown use of the Mark in association with "Entertainment services, namely the organization, production and promotion through television broadcasts and distribution of printed material of musical concerts" within the meaning of section 4 of the Act.
- [30] In coming to that conclusion, I am mindful of the well-established principle that when interpreting a statement of goods and services in a section 45 proceeding, one is not to be "astutely meticulous when dealing with [the] language used" [see *Levi Strauss & Co v Canada (Registrar of Trade-Marks)*, 2006 FC 654 at para 17] as well as the fact that the meaning of terms used in trademark registrations can evolve over time [*Levi Strauss*]. As such, I accept that promotional social media videos are the modern equivalent of promoting through television broadcasts.

- [31] As for Financial Sponsorship services, Ms. Regisser clearly attests that the Owner provides financial sponsorship and contributes to "charities and cultural institutions". This statement is supported by the evidence relating to First Thursdays as well as Absolut Nights, which were not only musical concerts but also events promoting and supporting social change. Accordingly, I am satisfied that the Owner has demonstrated use of the Mark in Canada in association with Financial Sponsorship services within the meaning of section 4 of the Act.
- [32] On the other hand, Ms. Regisser does not assert the existence of any relationship between the Owner and "educational institutions", or specifically reference such institutions in her affidavit. At the oral hearing, the Owner submitted that Inside Out's film and video production activities include an educational component. However, in the absence of evidence on this point and in view of Ms. Regisser's clear statement regarding Financial Sponsorship services (referring only to "charities and cultural institutions"), I am not prepared to infer that the Owner has sponsored or contributed to educational institutions. In any event, even if I were prepared to accept the Owner's submission in this regard, the sponsorship agreement with Inside Out took effect after the relevant period. As such, I am not satisfied that the Owner has shown use of the Mark in association with financial sponsorship of or contribution to educational institutions within the meaning of section 4 of the Act.

#### **DISPOSITION**

- [33] 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 the entirety of the registered goods, as well as the services shown in strikethrough font below:
  - (1) Financial sponsorship of and contribution to charities, educational and cultural institutions; financial sponsorship of participants in competitive sailing events.
  - (2) Organization and promotion through the distribution of printed material of sports events, namely golf tournaments.
  - (3) Entertainment services, namely the organization, production and promotion through television broadcasts and distribution of printed material of musical concerts and fashion shows.

- [34] Consequently, the amended statement of services will read as follows:
  - (1) Financial sponsorship of and contribution to charities and cultural institutions;
  - (3) Entertainment services, namely the organization, production and promotion through television broadcasts and distribution of printed material of musical concerts.

Eve Heafey Hearing Officer Trademarks Opposition Board Canadian Intellectual Property Office

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

# **HEARING DATE** June 2, 2021

# **APPEARANCES**

Isabelle Jomphe For the Registered Owner

No one appearing For the Requesting Party

# **AGENTS OF RECORD**

All the trademark agents at Lavery, De Billy, LLP For the Registered Owner

Michael A. Carli For the Requesting Party