



Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2022 TMOB 229

Date of Decision: 2022-11-28

IN THE MATTER OF A SECTION 45 PROCEEDING

Requesting Party: Norton Rose Fulbright Canada LLP/S.E.N.C.R.L., s.r.l.

Current Owner: Mama Shelter

Registration: TMA563,965 for MAMA SHELTER

INTRODUCTION

[1] This is a decision involving a summary expungement proceeding under section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) with respect to registration No. TMA563,965 for the trademark MAMA SHELTER (the Mark), currently owned by Mama Shelter.

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

- (1) Travel agency services, travel organization services.
- (2) Temporary accommodation services, hotel reservation services, restaurant services.

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

PROCEEDING

[4] On August 4, 2020, at the request of Norton Rose Fulbright Canada LLP/S.E.N.C.R.L., s.r.l. (the Requesting Party), the Registrar of Trademarks issued a restricted notice pursuant to section 45 of the Act to Mama Shelter (the Owner), the current owner of the Mark for the following services listed in the registration:

(2) Restaurant services (the Services).

[5] The notice required the Owner to show whether the Mark was used in Canada in association with the 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 between August 4, 2017 to August 4, 2020.

[6] The relevant definition of “use” in the present case are set out in section 4 of the Act as follows:

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.

[7] Where the owner has not shown “use”, the registration is liable to be expunged or amended, unless there are special circumstances that excuse the absence of use.

[8] In response to the Registrar’s notice, the Owner furnished the statutory declaration of Nicolas Billaud, declared in Paris, France, on March 2, 2021 (the Billaud declaration), and the statutory declaration of Audrey Lam, declared in Montreal on March 3, 2021, to which were attached Exhibits AL-1 to AL-4 (the Lam declaration).

[9] Only the Requesting Party submitted written representations and no oral hearing was held.

EVIDENCE

The Billaud declaration

[10] Mr. Billaud states that he was the Owner's Chief Financial Officer from 2013 to 2020 when he became the Owner's VP Development & Legal affairs.

[11] Mr. Billaud states that the Owner operates [TRANSLATION] "a hotel chain which offers restaurant services within its facilities" in seven countries around the world. Regarding the Services in Canada, Mr. Billaud states that the Owner advertised them [TRANSLATION] "thanks to the Owner's presence online". He further states that the Services were available to Canadian residents on the Owner's website <https://mamashelter.com> during the relevant period [Billaud declaration, paras 6 to 8 and 11].

[12] Mr. Billaud further states that launching a hotel offering the Services takes time and is complex in nature. He explains that the Owner first needs to find a solvent and experienced partner. The Owner also needs to find a location adapted to the hotel project in terms of accessibility and constructability. In particular, he states that in order to provide the Services, the location must include several areas, such as restaurant, bar and rooftop areas which requires a space with a certain size and a suitable location. According to Mr. Billaud, those selection factors increase the complexity of the search and have an impact on the launching of the project [Billaud declaration, paras 12 to 15].

[13] Mr. Billaud concedes that the Owner has not been able to use the Mark in association with the Services in a physical location in Canada since the acquisition of the Mark in 2016. He states that although the Owner worked tirelessly to open a location in Canada throughout the relevant period, it failed as the one proposed in Montreal region did not correspond to the criteria mentioned above. He further states that the Covid 19 pandemic, which started during the relevant period, and the current economic situation make things more difficult for the Owner [Billaud declaration, paras 17 and 18]. In any event, Mr. Billaud states that:

In Canada, anyone who has seen the [Mark] on the [Owner's] website during the relevant period has therefore been able to familiarize with [the Owner's Services] and

has therefore been able to benefit and take advantage of the information related thereto.
[para 19]

The Lam declaration

[14] Ms. Lam identifies herself as a student; I note that in the declaration, she provides her address which appears to be the address of the Owner's trademark agents, suggesting that she is a student at that firm. She essentially states having visited the Owner's website the day of the signature of her declaration to find information related thereto. She attaches four webpages' screenshots from the Owner's website to her declaration [Exhibits AL-1 to AL-4].

REASONS FOR DECISION

[15] The Requesting Party first points out that while Ms. Lam may have personal knowledge of the existence and location of the Owner's webpages, she is not in a position to confirm the accuracy of their content. In any event, the Requesting Party submits that the exhibits to Ms. Lam's declaration ought to be disregarded as she does not state that they are representative of the way the Owner's website appeared during the relevant period. It further submits that neither the Billaud declaration nor the Lam declaration provide any evidence that any Canadian accessed the Owner's website during the relevant period. Finally, the Requesting Party submits that the Owner failed to meet the test for exceptional circumstances justifying the absence of use.

[16] At the outset, I note that the Lam declaration is silent as to either her personal involvement in the Owner's activities or her access to its business records. I also note that Ms. Lam does not state she is knowledgeable of the Owner's activities. In this context, the evidence provided in her declaration constitutes hearsay. Such hearsay evidence is *prima facie* inadmissible, unless it satisfies the criteria of necessity and reliability [*Labatt Brewing Co v Molson Breweries, A Partnership* (1996), 68 CPR (3d) 216 (FCTD)]. The Owner provided no reason as to why the evidence had to be introduced through a student employed by its agent, or as to why Mr. Billaud, the person having direct knowledge regarding the Owner's activities, was unable to provide and explain the evidence in question. Thus, the Owner has not established the necessity

and reliability of submitting evidence by way of the declaration of its agent's student. Consequently, the Lam declaration and exhibits thereto are inadmissible hearsay.

[17] In any event, even if I were to accept Ms. Lam's declaration and attached screenshots as part of the Owner's evidence, there is no confirmation by Ms. Lam that these screenshots are representative of how the websites appeared during the relevant period, or that such websites were accessed by Canadians during the relevant period. With respect to the latter, it has been held that materials displaying the trademark must be "distributed to" or accessed by prospective customers in order to constitute advertising, [*Cornerstone Securities Canada Inc v Canada (Registrar of Trade Marks)* (1994), 58 CPR (3d) 417 (FCTD)]. Although webpages are not the same as printed advertisements, in that they cannot be tangibly distributed in the same way, they must still be "distributed to" or accessed by prospective customers in order to constitute advertising [see, for example, *Shift Law v Jefferies Group, Inc*, 2014 TMOB 277 at para 20; *Ridout & Maybee v Residential Income Fund LP*, 2015 TMOB 185 at paras 47 and 48]. As such, for exhibited webpages to constitute advertisement of registered services, there must be some evidence of access to those webpages. A clear statement may be sufficient. In the alternative, there should be some evidence from which it can be reasonably inferred that customers accessed the webpages. In this case, there is no such evidence from Ms. Lam or Mr. Billaud. Accordingly, I concur with the Requesting Party that the Owner's evidence does not demonstrate that the Mark was used in association with the Services during the relevant period.

[18] Even if I were to accept that the screenshots furnished by Ms. Lam are representative of the website's appearance during the relevant period and that they were accessed by Canadians during such time, I would not be satisfied that the Owner was offering and prepared to perform its services in Canada during the relevant period. In this respect, it is well established that the display of the trademark in the advertisement of the services is sufficient to satisfy the requirements of section 4(2) of the Act, from the time the owner of the trademark is willing and able to perform the services in Canada [*Wenward (Canada) Ltd v Dynaturf Co* (1976), 28 CPR (2d) 20 (TMOB)]. In the present case, although Mr. Billaud refers to the possibility that

Canadians might familiarize themselves with the Services or take advantage of the information related to them on the Owner's website, he has not explained how this could amount to performance of "restaurant services" in Canada. In the absence of any clarification on this point, I am not prepared to find that the Owner offering information about its restaurant services outside of Canada on its website would amount to the Owner offering and being prepared to perform restaurant services in Canada during the relevant period. In any event, given the very nature of the Services, I find the possibility to familiarize with the Services or to take advantage of the information related to them on the Owner's website to be insufficient on its own.

[19] With respect to the special circumstances, to determine whether special circumstances have been established, I first must determine why in fact the Mark was not used during the relevant period. Second, in case I determine that the reasons constitute special circumstances, I must still decide whether such special circumstances *excuse* the absence of 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 [per *Registrar of Trade Marks v Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 (FCA)].

[20] In the present case, I do not find that the factors cited by the Owner, namely the partner and location search, are circumstances which are not found in most cases such that they would amount to special circumstances.

[21] Even if I were to accept that the Owner's reasons could be considered unusual, uncommon, or exceptional circumstances, I am not satisfied that they excuse the absence of use. In this respect, in the absence of clear evidence of use of the Mark in Canada between the date of registration and the end of the relevant period, I conclude that the date of registration, June 26, 2002, is the date of last use of the Mark. This lengthy period of non-use weighs against the Owner.

[22] With respect to the second criterion, I agree with the Requesting Party that the reasons provided do not amount to obstacles beyond the Owner's control. Indeed, the

reasons are the criteria and search factors which are determined by the Owner itself. As such, the reasons for non-use are the result of a deliberate business decision by the Owner. Furthermore, while the COVID-19 could cause disruption in the Owner's business, the pandemic on its own cannot constitute special circumstances as it only applies to a few months at the end of the relevant period. In this respect, it has been held that special circumstances must apply to the entire relevant period [see, for example, *Oyen Wiggs Green & Mutala LLP v Rath*, 2010 TMOB 34 at para 12; and *PM-DSC Toronto Inc v PM-International AG*, 2013 TMOB 15 at para 15]. Regarding the current economic situation, it has been held that a recession does not constitute unusual, uncommon, or exceptional circumstances and it is common knowledge that market conditions fluctuate [see *Lander Co Canada Ltd v Alex E Macrae & Co* (1993), 46 CPR (3d) 417 (FCTD)].

[23] Finally, with respect to the intention to resume use, intention to shortly resume use of the trademark must be substantiated by "a sufficient factual basis" [*NTD Apparel Inc v Ryan* (2003), 27 CPR (4th) 73 at para 26; see also *Arrowhead Spring Water Ltd v Arrowhead Water Corp* (1993), 47 CPR (3d) 217 (FCTD) at para 12; *Lander Co Canada Ltd v Alex E Macrae & Co* (1993), 46 CPR (3d) 417 (FCTD) at para 15]. In this case, while Mr. Billaud refers generally to the Owner's ongoing efforts and intention to use the Mark in Canada, the law is clear that such intention cannot amount to special circumstances on its own. As articulated by the Federal Court of Appeal in *Smart & Biggar v Scott Paper Ltd*, 2008 FCA 129 [at para 28]:

It is apparent from this analysis that a registrant's intention to resume use of a mark which has been absent from the marketplace, even when steps have been taken to actualize those plans, cannot amount to special circumstances which excuse the non-use of the trade-mark. The plans for future use do not explain the period of non-use and therefore, cannot amount to special circumstances. No reasonable construction of the words used in section 45 could lead to that conclusion.

[24] In view of all of the foregoing, I am not satisfied that the Owner has demonstrated use of the Mark in association with the Services within the meaning of sections 4(2) and 45 of the Act.

DISPOSITION

[25] Accordingly, 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 “restaurant services”.

[26] Consequently, the amended statement of services will read as follows:

- (1) Travel agency services, travel organization services.
- (2) Temporary accommodation services, hotel reservation services.

Maria Ledezma
Hearing Officer
Trademarks Opposition Board
Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: No hearing held

AGENTS OF RECORD

For the Requesting Party: Norton Rose Fulbright Canada LLP/S.E.N.C.R.L.,
s.r.l.

For the Registered Owner: ROBIC