

Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2023 TMOB 004

Date of Decision: 2023-01-17

IN THE MATTER OF A SECTION 45 PROCEEDING

Requesting Party: McMillan LLP

Registered Owner: Mentorgroup Investment Inc.

Registration: TMA860,238 for AIR PLUS

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. TMA860,238 for the trademark AIR PLUS (the Mark).
- [2] The Mark is registered for use in association with the following goods and services:

GOODS

(1) Hair care preparations namely: conditioners, colorants, creams, dyes, gels, lotions, mousses, permanent wave neutralizers, permanent wave solutions, rinses, shampoos and sprays; (2) Hair crimping irons and curling tongs; (3) Hair clippers; (4) Scissors, tweezers, nail clippers and nail files; (5) Manicure and pedicure sets. (6) Essential oils for aromatherapy, massage and personal use; (7) Cloth towels and face cloths.

SERVICES

- (1) Beauty salon services; (2) Hairdressing salon services; (3) Massage services; (4) Aromatherapy services.
- [3] For the reasons that follow, I conclude that the registration ought to be amended.

THE PROCEEDING

- [4] At the request of McMillan LLP (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act on September 10, 2020, to Mentorgroup Investment Inc. (the Owner), the registered owner of the Mark.
- [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 the Mark 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 September 10, 2017 to September 10, 2020.
- [6] The relevant definitions of "use" in the present case 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.
- [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] It is well established that 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)]. However, 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)].

- [9] With respect to services, 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 offers and is ready to perform the services in Canada [Wenward (Canada) Ltd v Dynaturf Co (1976), 28 CPR (2d) 20 (TMOB)].
- [10] In response to the Registrar's notice, the Owner furnished the affidavit of Lai Chih Lang, Chairman of the Owner's Board, sworn February 19, 2021 in Taipei, Taiwan, together with Exhibits A to H.
- [11] Both parties submitted written representations. Only the Owner was represented at an oral hearing.

EVIDENCE SUMMARY

- [12] In his affidavit, Mr. Lang explains that the Owner licenses use of the Mark in Canada to Tokyo Allure Hair Salon Ltd. (Tokyo Allure) in respect of "cosmetology services" [paras 4 and 5]. In this respect, he states that Tokyo Allure operates two AIR PLUS hair salon locations in British Columbia [para 7]. Attached as Exhibit A to his affidavit is a copy of relevant portions of the 2019 licence agreement between the Owner and Tokyo Allure.
- [13] I note that Mr. Lang does not explicitly assert use of the Mark during the relevant period, simply stating that the Owner "continues to use [the Mark] in Canada" [para 12]. Nevertheless, with respect to the registered services, he notes that the services available at the AIR PLUS hair salons include "hair colouring and head spa services" [para 6].

- [14] With respect to the registered goods, Mr. Lang notes that paragraph 3.4 of the licence agreement "indicates that [Tokyo Allure] can purchase product supply" from the Owner [para 10, Exhibit A].
- [15] Otherwise, Mr. Lang allows the exhibits attached to his affidavit to largely speak for themselves. These exhibits are as follows:
 - Exhibit A is a copy of the aforementioned licence agreement, discussed further below.
 - Exhibit B consists of four photographs of what appears to be the Richmond location of Tokyo Allure's AIR PLUS hair salon, all dated during the relevant period. The Mark prominently appears on exterior signage above the entrance to the salon.
 - Exhibit C is a photograph, dated April 2018, showing promotional material for a
 "Spring Head Spa" and introducing a new stylist, as displayed on the storefront
 window of an AIR PLUS hair salon location. The Mark is visible on the
 promotional material.
 - Exhibit D consists of printouts of Google search results, confirming the two locations of the AIR PLUS hair salons in Richmond and Burnaby, British Columbia.
 - Exhibit E is a copy of the "monthly rent structure" of the AIR PLUS hair salon located in Burnaby.
 - Exhibit F consists of copies of four sales receipts which Mr. Lang attests are for hair salon services provided by Tokyo Allure [para 9]. These sales receipts are dated during the relevant period and come from the AIR PLUS hair salon located in Richmond. While Mr. Lang does not correlate any of the entries to any of the registered goods or services, these sales receipts include items consistent with hair salon services, such as "Women's haircut", "Wash & Blowdry" and "Colour & Highlights".
 - Exhibit G consists of an undated photograph depicting six bottles of "Program Solution", which all bear the Mark. Mr. Lang states that the depicted bottles are of "AIR PLUS shampoo and hair mask (conditioner)" [para 10].

Exhibit H consists of five undated printouts from what appears to be the AIR
 PLUS hair salons' website. The printouts include a photograph of and information
 regarding the Richmond location, including a price list for available hair salon
 services and hair "treatment choices".

ANALYSIS AND REASONS FOR DECISION

- [16] In its written representations, the Requesting Party solely questions whether any evidenced use of the Mark could enure to the benefit of the Owner pursuant to section 50 of the Act, alleging that the licence agreement at Exhibit A points to a separate entity as licensor, namely "Mentor Group Investment Inc." [my emphasis].
- [17] However, the Owner submits that the licensor and the Owner are the same entity and that the space in the name of the licensor throughout the agreement is in the nature of a clerical error. In this respect, the Owner notes that its name is correctly spelled on the signature page of the agreement.
- [18] Indeed, Mr. Lang makes a sworn statement that the Owner licenses the use of the Mark in Canada and he identifies the exhibited agreement as being between the Owner and Tokyo Allure [para 4]. I further note that paragraph I of the agreement clearly references the subject registration. Therefore, contrary to the Requesting Party's submissions, I do not consider there to be any ambiguity as to whether the Owner is the same entity as the licensor, as set out in the exhibited agreement.
- [19] As such, and considering that article 4 of the licence agreement provides for the requisite control, I am satisfied that any evidenced use of the Mark by the licensee enures to the Owner's benefit pursuant to section 50(1) of the Act [per *Empresa Cubana del Tabaco v Shapiro Cohen*, 2011 FC 102 at para 84].

Use of the Mark in association with the Registered Services

[20] At the hearing, the Owner submitted that, in addition to demonstrating that the Owner performed "hairdressing salon services", the evidence shows that the Owner provided "Beauty salon services".

- [21] Indeed, I accept that the evidence as a whole shows use of the Mark in association with both services in Canada during the relevant period. More particularly, I accept that these services were advertised and performed in the course of the operation of the licensee's AIR PLUS hair salon located in Richmond [para 6, Exhibits B, C and F]. Furthermore, the Mark was displayed at the entrance to the salon, as well on the exhibited receipts and promotional material.
- [22] In contrast, the evidence falls short of demonstrating use of the Mark in association with the remaining registered services, namely "Massage services" and "Aromatherapy services". In this respect, Mr. Lang makes no clear statements regarding the offering or performance of these services, and there are no clear references to such services in the exhibits.
- [23] Accordingly, I am satisfied that the Owner has demonstrated use of the Mark only in association with "(1) Beauty salon services" and "(2) Hairdressing salon services" within the meaning of sections 4 and 45 of the Act. As there is no evidence before me of special circumstances excusing non-use of the Mark in association with the remaining registered services, the registration will be amended accordingly.

Use of the Mark in association with the Registered Goods

- [24] At the hearing, the Owner submitted that the AIR PLUS Program Solution products shown in the Exhibit G photograph evidence use of the Mark in association with the registered goods "(1) Hair care preparations namely: conditioners, shampoos".
- [25] However, there is no evidence of transfers of any such goods in the relevant period or otherwise. In this respect, Mr. Lang makes no correlation between the items in the exhibited sales receipts and any of the registered goods. In any event, these sales receipts appear to be for services, rather than for goods. Moreover, in his affidavit, Mr. Lang merely states that the licence agreement indicates that Tokyo Allure "can purchase product supply" from the Owner [para 10, emphasis added]. There is no evidence that any such transactions took place during the relevant period.

[26] In view of the foregoing, I am not satisfied that the Owner has demonstrated use of the Mark in association with any of the registered goods within the meaning of sections 4 and 45 of the Act. As there is no evidence before me of special circumstances excusing such non-use of the Mark, the registration will be amended accordingly.

DISPOSITION

- [27] 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, as well as "(3) Massage services; (4) Aromatherapy services" from the statement of services.
- [28] The amended statement of services will read as follows:
 - (1) Beauty salon services; (2) Hairdressing salon services.

Yves Cozien Papa Tchofou
Hearing Officer
Trademarks Opposition Board
Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: 2022-09-21

APPEARANCES

For the Requesting Party: No one appearing

For the Registered Owner: Lorraine Pincent

AGENTS OF RECORD

For the Requesting Party: McMillan LLP

For the Registered Owner: MLT Aikins LLP