

TRADE-MARKS

EXPUNGEMENT

Appeal from decision of Registrar of Trade-marks directing applicant's registration for trade-mark WALDORF-ASTORIA to be expunged from register — At request of respondent, Registrar issuing notice under *Trade-marks Act*, R.S.C., 1985, c. T-13, requiring applicant to demonstrate its use of mark at any time within three-year period immediately preceding issuance of notice — Trade-mark WALDORF-ASTORIA registered for use in association with "hotel services" — Applicant's operation, *inter alia*, of interactive web site, worldwide registration service, rewards points not found to be sufficient to meet definition of use under *Act* in association with "hotel services" — Registrar also rejecting applicant's argument that special circumstances existing to excuse non-use of mark during relevant period, as permitted by *Act*, s. 45(3) — Main issue whether hotel owner can establish "use" of trade-mark without presence of "bricks and mortar" hotel in Canada — Applicant establishing "use" of its trade-mark in Canada during relevant period — Concept of "services" to be liberally interpreted — Although *Act*, s. 4(2) deeming advertising of services to be "use", clear that mere advertisement of services in Canada, where no aspect of services themselves are performed or delivered, not constituting "use" within meaning of *Act* — Mere operation of "passive" web site not sufficient to constitute use of trade-mark in Canada — Case law confirming that determining whether "use" in Canada has been established requiring case-by-case assessment involving analysis of scope of services referred to in trade-mark registration, as well as nature of benefits delivered to people physically present in Canada — Concept of performing services key; essential that some aspect of services be offered directly to Canadians or performed in Canada — Registrar finding, in series of decisions, that operation of "bricks and mortar" hotel in Canada necessary to establish use of trade-mark for "hotel" or "hotel services" — Core questions on issue of "use" whether applicant demonstrating that scope of term "hotel services" in ordinary commercial use at relevant time encompassing reservation, booking services; whether persons in Canada benefitting from these services during relevant period — Registrar committing numerous mistakes, i.e. in failing to consider only evidence submitted on ordinary understanding of term "hotel services"; in failing to follow binding authority regarding scope of services as including primary, incidental, ancillary services; in applying current version of Canadian Intellectual Property Office Goods and Services Manual to interpret the meaning of a registration dating from 1988; and in failing to consider actual words used in the registration itself — Not reasonable to rely on asserted "common sense" interpretation of scope of service, without reference to only evidence specifically on that point before Registrar — Ordinary understanding of term "hotel services" including provision of room as primary service, number of ancillary or incidental services — In rejecting concept of "primary, incidental and ancillary" services, Registrar erring in failing to follow binding authority on interpretation of term "services" in *Act* — Registrar erring in applying current version of Manual to interpret meaning of registration dating from 1988 — Earliest available version of Manual (from January 2006) not including terms such as "hotel registration services" or "booking services"; however, including terms "hotel services", "management of hotels" — Applicant cannot be faulted for using pre-approved term found in Manual at that time — Error to interpret scope of past registration with reference to current wording, in particular given that Manual only guideline — Scope of services delivered on-line expanding greatly since time of original registration, meaning of "hotel services" having to adapt to reflect fact that ordinary customer expecting to be able to book hotel room on-line today — Scope of registration having to be considered in light of ordinary meaning of words, this in turn influenced by development in on-line commerce as relating to ordinary commercial understanding of both business, customer — Applicant herein seeking to demonstrate use of its registration in association with "hotel services", not "operation of a hotel" — Term "hotel services" naturally including series of related things, some only delivered at physical hotel, some now naturally able to be "performed" (from owner's perspective), or "enjoyed" (from customer's perspective) in Canada — "Hotel services" in 1998 and

during relevant period here, including registration services — Applicant demonstrating that people in Canada receiving benefit in Canada from delivery of its hotel services — Appeal allowed.

HILTON WORLDWIDE HOLDING LLP V. MILLER THOMSON (T-515-17, 2018 FC 895, Pentney J., judgment dated September 7, 2018, 39 pp.)