

## DISPLAY OF A TRADE-MARK ON A WEBSITE

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### *TSA Stores Inc. v. Registrar of Trade-marks*

In this recent decision, the impugned trade-mark registrations were registered solely for retail store services. The registered owner had previously used the impugned marks in association with bricks and mortar retail stores in Canada; however, it had closed its Canadian stores long before the hearing. The registered owner continued to have retail outlets in the United States and maintained a comprehensive retail website, which offered “help me choose gear” and “shoe finder” services in addition to online sales. The evidence showed that over 360,000 Canadians a year visited the website, but Canadians could not purchase goods online and there were no retail stores in Canada.

Nonetheless, the Federal Court overruled the decision of the Registrar and refused to cancel the trade-mark registrations for non-use. The Federal Court noted that “services” should be given a broad interpretation - and therefore concluded that “as long as some members of the public, consumers or purchasers, receive a benefit from the activity, it is a service.” In other words, use of a mark in association with “services” does not necessarily require sales or advertising in Canada, and could be established by any incidental or ancillary activity by which some members of the Canadian consuming public receive a benefit.

In this case, the Court was persuaded that the Canadian consuming public received a benefit from the website as the extent of the advice offered through the “help me choose gear” and “shoe finder” services was found to be “akin to visiting a bricks and mortar store and benefiting from a discussion with a knowledgeable salesperson” and the “store locator” service allowed a Canadian to enter her postal code to find the location of the closest U.S. retail store. The Court was also, no doubt, persuaded by the large number of Canadians that used the website each year.

Importantly, this case only considered “use” in the context of services: the *Trade-marks Act* very narrowly defines “use” of a mark in association

with wares. It also may be important that the above case considered “use” in the context of a s. 45 proceeding (a summary proceeding to cancel registered marks that are no longer in use in Canada), and the Registrar and the courts may be more inclined to find use of a trade-mark in “close cases” where a finding of non-use will result in summary cancellation of the trade-mark registration.

Regardless, although this decision is good news for owners of registered marks that have been served with a s.45 notice, it raises challenges for those assessing the registrability and distinctiveness of a trade-mark in the face of other potentially confusing trade-marks that are displayed in Canada solely on a corporate website that is accessible to Canadians.

For advice on trade-marks and brand protection, contact our **Intellectual Property and Technology Group**. ▲

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