

Federal Court



Cour fédérale

Date: 20181204

Docket: T-1395-18

Citation: 2018 FC 1213

Ottawa, Ontario, December 4, 2018

PRESENT: The Honourable Madam Justice McVeigh

BETWEEN:

ATP NUTRITION LTD.

Applicant

and

**AMERICAN FORESTRY ASSOCIATION
DOING BUSINESS AS AMERICAN FORESTS**

Respondent

JUDGMENT AND REASONS

I. Introduction

[1] This is further to a hearing of a motion dated September 6, 2018, filed by counsel for the Applicant and heard in Winnipeg, Manitoba, on October 9, 2018 for:

- (a) an Order pursuant to section 18.1(2) of the *Federal Courts Act*, RSC 1985, c F-7 [“*FCA*”], allowing the Applicant to make this application for judicial review more than 30 days after the date the Decision was first communicated;

- (b) a declaration that the Respondent is not a “public authority” within the meaning of subparagraph 9(1)(n)(iii) of the *Trade-Marks Act*, RSC 1985, c T-13 [“*Trade-Marks Act*”];
- (c) an Order pursuant to sections 18 and 18.1 of the *FCA* quashing and/or setting aside the Decision;
- (d) a declaration that the public notice of RELEAF given through publication in the *Trade-Marks Journal* of May 26, 1999, Volume 46, Issue number 2326 was ineffective to give rise to any rights or prohibitions under sections 9, 11 and 12 of the *Trade-Marks Act*;
- (e) a declaration for the disputed official mark to be invalid and void *ab initio*;
- (f) costs of this application; and
- (g) such further and other relief as this Honourable Court considers just;

II. Background

[2] The Applicant ATP Nutrition Ltd. is a corporation incorporated in the province of Ontario and extra-provincially registered to carry on business in Manitoba with its principal place of business in Oak Bluff, Manitoba.

[3] The Respondent is a not-for-profit conservation association that has its principal place of business in Washington, D.C.

[4] On February 4, 1998, pursuant to section 9(1)(n)(iii) of the *Trade-Marks Act*, the Respondent filed a request that the Registrar give public notice of its claimed adoption and the use of RELEAF as an official mark in association with services in Canada under serial number 909,685. The Registrar gave public notice of the official mark on May 26, 1999, through publication in the *Trade-Marks Journal* (Volume 46, Issue Number 2326).

[5] The Applicant applied on December 31, 2014, to register the trademark RELEAF with the Canadian Intellectual Property Office (Application #1,709,197). The examiner's report was issued on July 29, 2015. The examiner's report found that the Applicant's trademark was prohibited by subsection 9(1)(n)(iii) (adopted and used by any public authority) of the *Trade-Marks Act* and that, as per section 12(1)(e) of the *Trade-Marks Act*, the Applicant's trademark was not registerable.

[6] The Applicant filed for judicial review of the Registrar's decision on July 17, 2018.

[7] The Respondent did not file a Notice of Appearance after being served with the Notice of Application on July 25, 2018. Service on the Respondent was affected by service in Washington D.C. on the Director of Communications for the Respondent, Christopher Horn. Detailed proof of service on the Respondent was filed with the Court.

[8] The Applicant indicated that the Applicant has previously interacted with Christopher Horn regarding this matter. The Applicant has engaged Christopher Horn by email, phone, and letter in an attempt to obtain consent in this matter.

[9] The Respondent did not file a Notice of Appearance and has not participated in the application. Section 145 of the *Federal Courts Rules*, SOR/98-106, indicates that a respondent does not need to be served any further documents in a proceeding if the respondent does not file a Notice of Appearance. In this case, the Respondent has not indicated that they wish to participate by filing a Notice of Appearance.

[10] In these very unique circumstances, I will proceed without the Respondent's participation on an *ex parte* basis, given the relevant jurisprudence and the relief sought. I am satisfied that the Applicant is proceeding in good-faith and has made good-faith efforts to contact the Respondent, and the Respondent has chosen not to be a part of the matter. This is a rare case that would persuade me that it is appropriate to proceed on an *ex parte* basis.

A. *Extension of Time*

[11] Before an analysis on the merits of the application, I must first determine if the Applicant can obtain an extension of time in order to bring the application. Section 56 of the *Trade-Marks Act* states that an appeal to the Federal Court from any decision of the Registrar under the *Trade-Marks Act* must be done within two months from the date on which notice of the decision was given by the Registrar. Section 18.1(2) of the *FCA* indicates, however, that an application for

judicial review must be brought within 30 days. In this case, it does not matter, as the Applicant is out of time and is seeking an extension of time.

[12] The relevant test for an extension of time is set out in *Larkman v Canada*, 2012 FCA 204 [“*Larkman*”] at paragraph 61:

- (1) Did the moving party have a continuing intention to pursue the application?
- (2) Is there some potential merit to the application?
- (3) Has the Crown [Respondent] been prejudiced from the delay?
- (4) Does the moving party have a reasonable explanation for the delay?

[13] None of the factors have more weight than others and below is a discussion of the factors.

[14] The Applicant indicates that they only found out about the decision in 2015 when the Respondent’s Official Mark was cited in the Examiner’s Report. The Applicant did provide some explanation of why the motion was not brought until three years after the Applicant became aware of the decision. The Applicant advised me that the delay was partially a result of the Applicant making best efforts to reach out to the Respondent and remedy this matter on the basis of consent. The Applicant also noted that as per the ruling of Muldoon J in *Mihaljevic v British Columbia* (1988), 22 FTR 59 (FCTD); affirmed (1990), 34 CPR (3d) 54 (FCA), once the Registrar has given public notice, an official mark is virtually inexpugnable making the only available route bringing a Judicial Review application.

[15] I find that the Respondent is not prejudiced, insofar as the Respondent has elected to not even participate. On the other hand the Applicant would be strongly prejudiced if the extension of time was not granted.

[16] Finally, the Application has strong merit as supported by the jurisprudence.

[17] Given this, I will grant the extension of time to serve and file the Notice of Application.

III. Analysis

A. *Public Authority in Canada*

[18] The statutory provisions at issue are :

Prohibited marks

9 (1) No person shall adopt in connection with a business, as a trade-mark or otherwise, any mark consisting of, or so nearly resembling as to be likely to be mistaken for,

...

(n) any badge, crest, emblem or mark

(i) adopted or used by any of Her Majesty's Forces as defined in the National Defence Act,

(ii) of any university, or

(iii) adopted and used by any public authority, in Canada as an official mark for goods or services

Marques interdites

9 (1) Nul ne peut adopter à l'égard d'une entreprise, comme marque de commerce ou autrement, une marque composée de ce qui suit, ou dont la ressemblance est telle qu'on pourrait vraisemblablement la confondre avec ce qui suit :

...

n) tout insigne, écusson, marque ou emblème :

(i) adopté ou employé par l'une des forces de Sa Majesté telles que les définit la Loi sur la défense nationale,

(ii) d'une université,

(iii) adopté et employé par une autorité publique au Canada comme marque officielle pour des produits ou services,

Registrable Trade-marks

When trade-mark registrable

12 (1) Subject to section 13, a trade-mark is registrable if it is not

...

(e) a mark of which the adoption is prohibited by section 9 or 10;

Marques de commerce enregistrables

Marque de commerce enregistable

12 (1) Sous réserve de l'article 13, une marque de commerce est enregistable sauf dans l'un ou l'autre des cas suivants :

...

e) elle est une marque dont l'article 9 ou 10 interdit l'adoption;

[19] The standard of review with respect to a decision of the Registrar is reasonableness (*Starbucks (HK) v Trinity Television Inc*, 2016 FC 790, para 10).

[20] Prior to the decision of Justice Mactavish in *Canada Post Corp v United States Postal Service*, 2005 FC 1630 [*Canada Post*], subsequently affirmed at the Federal Court of Appeal in *United States Postal Service v Canada Post Corporation*, 2007 FCA 10, the Registrar of the Trademarks Office accepted section 9 applications by foreign companies if controlled by foreign governments, foreign universities, and other foreign public authorities.

[21] Since *Canada Post*, that interpretation was held to be invalid, and the jurisprudence now is clear that a “public authority” as per the *Trade-Marks Act* must be an entity that is subject to control from the Canadian government.

[22] The Respondent is incorporated and located in the United States, and from all the evidence filed, has no connection or funding from the Canadian government.

[23] Materials drawn from the Respondent mentions a number of American states but does not mention any Canadian provinces. Another example pointing to the American only connection is that the material state that American Forests have planted nearly 60 million trees in forest restoration projects in all 50 states.

[24] In the material drawn from the website of the Respondent, there is reference to the United States Congress, but no reference to the Canadian government. All of the science advisory board are located in the United States. Every reference in the material produced by the Respondent is always to American federal, state, or local government and there is no mention of provincial governments.

[25] I find that the government the Respondent’s refer to is the United States government and not the Canadian government. There is no indication of Canadian government funding or of there being Canadian control of the Respondent. I have no evidence before me of support or control of the Canadian government.

[26] OPIC in 1998 made the decision before *Canada Postal* in 2005. So even though there was no mention of any Canadian government control and there was only American government control the Registrar determined that there was public authority.

[27] I find that the Respondent is not a public authority as defined under section 9(1)(n)(iii) of the *Trade-Marks Act*. The Respondent is subject to the United States government and is not subject to any Canadian government control or funding. As such, the decision of the Registrar is unreasonable as the Respondent is not a public authority in Canada, and it was unreasonable for the Registrar to conclude that the Respondent is a public authority.

[28] For these reasons, I will grant the application.

[29] The Applicant at the hearing indicated they were not seeking costs and I will award none.

JUDGMENT in T-1395-18

THIS COURT'S JUDGMENT is that

1. Pursuant to section 18.1(2) of the *Federal Courts Act*, RSC 1985, c F-7, the Applicant is allowed to make this application for judicial review more than thirty (30) days after the date that the Trade-Marks Registrar's decision to give public notice of RELEAF as an official mark, given through publication in the *Trade-Marks Journal* of May 26, 1999, Volume 46, Issue number 2326 was communicated;
2. The Registrar's decision to grant RELEAF as an official mark of the Respondent is hereby quashed and set aside;
3. The Respondent is not a "public authority" within the meaning of subparagraph 9(1)(n)(iii) of the *Trade-Marks Act*;
4. The public notice of RELEAF as an official mark was ineffective to give rise to any rights or prohibitions under sections 9, 11 and 12 of the *Trade-Marks Act*;
5. The disputed official trademark, RELEAF, is invalid and void *ab initio*;
6. No costs are ordered.

"Glennys L. McVeigh"

Judge

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-1395-18

STYLE OF CAUSE: ATP NUTRITION LTD. v AMERICAN FORESTRY
ASSOCIATION DOING BUSINESS AS AMERICAN
FORESTS

PLACE OF HEARING: WINNIPEG, MANITOBA

DATE OF HEARING: OCTOBER 9, 2018

JUDGMENT AND REASONS: MCVEIGH J.

DATED: DECEMBER 4, 2018

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