

Federal Court



Cour fédérale

**Date: 20160711**

**Docket: T-1683-15**

**Citation: 2016 FC 790**

**Ottawa, Ontario, July 11, 2016**

**PRESENT: The Honourable Mr. Justice Russell**

**BETWEEN:**

**STARBUCKS (HK) LIMITED**

**Applicant**

**and**

**TRINITY TELEVISION INC.**

**Respondent**

**JUDGMENT AND REASONS**

**I. INTRODUCTION**

[1] This is an application pursuant to s 18.1 of the *Federal Courts Act*, RSC 1985, c F-7 [*Federal Courts Act*] of a decision of the Registrar of Trade-marks to give public notice of the adoption and use of NOWTV as an official mark by Trinity Television Inc [Respondent], which was communicated through publication in Volume 48, No. 2434 of the *Trade-marks Journal* on June 20, 2001.

## II. BACKGROUND

[2] The Applicant, Starbucks (HK) Limited, is a company based in Hong Kong.

[3] The Respondent is (or was) a non-share corporation incorporated in Manitoba and based in Winnipeg, Manitoba. It is (or was) a registered charity and its letters patent indicate that one of its corporate objectives is (or was) producing and distributing television programs that convey Christian teachings.

[4] The Respondent is also the holder of NOWTV, an official mark. On April 10, 2001, the Respondent filed a request pursuant to s 9(1)(n)(iii) of the *Trade-Marks Act*, RSC 1985, c T-13 [*Trade-Marks Act*], to give public notice of its claimed adoption and use of NOWTV as an official mark in association with services in Canada under serial number 913,106. The Registrar gave public notice through publication in the *Trade-marks Journal* on June 20, 2001 of the adoption and use by the Respondent of NOWTV as an official mark.

[5] On October 24, 2013, the Applicant filed an application in the Canadian Intellectual Property Office to register the Trade-mark NOW TV & Design under application number 1,649,254.

[6] On July 18, 2014, an examiner's report noted that s 9(1)(n)(iii) prohibited registration of the Applicant's design mark in light of the Respondent's official NOWTV mark.

### III. DECISION UNDER REVIEW

[7] The decision under review is the Registrar's Decision to designate NOWTV an official mark, published in Volume 48, No. 2434 of the *Trade-marks Journal* on June 20, 2001. No reasons were provided in connection with the Decision.

### IV. ISSUES

[8] The Applicant submits that the following matters are at issue in this proceeding:

- 1) What standard of review applies to the Registrar's Decision?
- 2) Whether the Applicant has standing to bring this application for judicial review?
- 3) Whether the Registrar's Decision was reasonable?
- 4) Whether the Court should exercise its discretion to extend the time for making this application for judicial review?

### V. STANDARD OF REVIEW

[9] The Supreme Court of Canada in *Dunsmuir v New Brunswick*, 2008 SCC 9 [*Dunsmuir*] held that a standard of review analysis need not be conducted in every instance. Instead, where the standard of review applicable to a particular question before the court is settled in a satisfactory manner by past jurisprudence, the reviewing court may adopt that standard of review. Only where this search proves fruitless, or where the relevant precedents appear to be inconsistent with new developments in the common law principles of judicial review, must the reviewing court undertake a consideration of the four factors comprising the standard of review

analysis: *Agraira v Canada (Public Safety and Emergency Preparedness)*, 2013 SCC 36 at para 48.

[10] The Applicant submits that the applicable standard of review is reasonableness but that a narrow margin of appreciation ought to be applied for several reasons, including that the matter is one of mixed fact and law that concerns the meaning of “public authority” under s 9(1)(n)(iii) of the *Trade-marks Act*, and the lack of discretion bestowed on the Registrar by the Act. The Applicant also highlights that the Federal Court of Appeal has indicated that s 9(1)(n)(iii) should not be given an expansive meaning: *Ontario Association of Architects v Association of Architectural Technologists of Ontario*, 2002 FCA 218 at para 64 [*Ontario Association of Architects*]. While I agree that reasonableness has been triggered, I am unconvinced such a narrow margin should be applied. The second and third issues brought forward by the Applicant are questions of mixed fact and law and involve the Registrar of Trade-marks’ expertise and fact-finding. The reasonableness standard will be used in the analysis of these two issues.

[11] As regards the issue of standing, analysis will involve determining if the Applicant meets the requirements of the *Federal Courts Act* to bring an application for judicial review. This is a determination of mixed fact and law and therefore attracts a reasonableness standard: *Schamborzki v Canada (Attorney General)*, 2015 FC 1262 at para 32.

[12] Finally, in terms of the extension of time issue, as both a discretionary matter and of mixed fact and law, it will be reviewed using the standard of reasonableness: *Imperial Oil Resources Ltd v Canada (Attorney General)*, 2016 FCA 139 at para 44; *Dube v Canada*

(*Attorney General*), 2016 FC 43 at para 36; *Bernard v Canada (Attorney General)*, 2014 FC 350 at para 12.

[13] When reviewing a decision on the standard of reasonableness, the analysis will be concerned with “the existence of justification, transparency and intelligibility within the decision-making process [and also with] whether the decision falls within a range of possible, acceptable outcomes which are defensible in respect of the facts and law.” See *Dunsmuir*, above, at para 47, and *Canada (Minister of Citizenship and Immigration) v Khosa*, 2009 SCC 12 at para 59. Put another way, the Court should intervene only if the Decision was unreasonable in the sense that it falls outside the “range of possible, acceptable outcomes which are defensible in respect of the facts and law.”

## VI. STATUTORY PROVISIONS

[14] The following provisions of the *Trade-marks Act* is applicable in this proceeding:

### **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

### **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

...

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

in respect of which the Registrar has, at the request of Her Majesty or of the university or public authority, as the case may be, given public notice of its adoption and use;

### **Further prohibitions**

11 No person shall use in connection with a business, as a trade-mark or otherwise, any mark adopted contrary to section 9 or 10 of this Act or section 13 or 14 of the *Unfair Competition Act*, chapter 274 of the Revised Statutes of Canada, 1952.

### **When trade-mark registrable Marque de commerce enregistrable**

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

(a) a word that is primarily merely the name or the surname of an individual who is living or has died within the preceding thirty years;

(b) whether depicted, written or sounded, either clearly descriptive or deceptively

...

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

à l'égard duquel le registraire, sur la demande de Sa Majesté ou de l'université ou autorité publique, selon le cas, a donné un avis public d'adoption et emploi;

### **Autres interdictions**

11 Nul ne peut employer relativement à une entreprise, comme marque de commerce ou autrement, une marque adoptée contrairement à l'article 9 ou 10 de la présente loi ou contrairement à l'article 13 ou 14 de la *Loi sur la concurrence déloyale*, chapitre 274 des Statuts révisés du Canada de 1952.

### **Marque de commerce enregistrable**

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

a) elle est constituée d'un mot n'étant principalement que le nom ou le nom de famille d'un particulier vivant ou qui est décédé dans les trente années précédentes;

b) qu'elle soit sous forme graphique, écrite ou sonore, elle donne une description

misdescriptive in the English or French language of the character or quality of the goods or services in association with which it is used or proposed to be used or of the conditions of or the persons employed in their production or of their place of origin;	claire ou donne une description fausse et trompeuse, en langue française ou anglaise, de la nature ou de la qualité des produits ou services en liaison avec lesquels elle est employée, ou en liaison avec lesquels on projette de l'employer, ou des conditions de leur production, ou des personnes qui les produisent, ou de leur lieu d'origine;
(c) the name in any language of any of the goods or services in connection with which it is used or proposed to be used;	c) elle est constituée du nom, dans une langue, de l'un des produits ou de l'un des services à l'égard desquels elle est employée, ou à l'égard desquels on projette de l'employer;
(d) confusing with a registered trade-mark;	d) elle crée de la confusion avec une marque de commerce déposée;
(e) a mark of which the adoption is prohibited by section 9 or 10;	e) elle est une marque dont l'article 9 ou 10 interdit l'adoption;
(f) a denomination the adoption of which is prohibited by section 10.1;	f) elle est une dénomination dont l'article 10.1 interdit l'adoption;
(g) in whole or in part a protected geographical indication, where the trade-mark is to be registered in association with a wine not originating in a territory indicated by the geographical indication;	g) elle est constituée, en tout ou en partie, d'une indication géographique protégée et elle doit être enregistrée en liaison avec un vin dont le lieu d'origine ne se trouve pas sur le territoire visé par l'indication;
(h) in whole or in part a protected geographical indication, where the trade-mark is to be registered in association with a spirit not	h) elle est constituée, en tout ou en partie, d'une indication géographique protégée et elle doit être enregistrée en liaison avec un spiritueux dont le lieu

originating in a territory indicated by the geographical indication; and

(i) subject to subsection 3(3) and paragraph 3(4)(a) of the *Olympic and Paralympic Marks Act*, a mark the adoption of which is prohibited by subsection 3(1) of that Act.

d'origine ne se trouve pas sur le territoire visé par l'indication;

i) elle est une marque dont l'adoption est interdite par le paragraphe 3(1) de la *Loi sur les marques olympiques et paralympiques*, sous réserve du paragraphe 3(3) et de l'alinéa 3(4)a) de cette loi.

[15] The following provision of the *Federal Courts Act* is applicable in this proceeding:

#### **Application for judicial review**

18.1 (1) An application for judicial review may be made by the Attorney General of Canada or by anyone directly affected by the matter in respect of which relief is sought.

#### **Time Limitation**

(2) An application for judicial review in respect of a decision or an order of a federal board, commission or other tribunal shall be made within 30 days after the time the decision or order was first communicated by the federal board, commission or other tribunal to the office of the Deputy Attorney General of Canada or to the party directly affected by it, or within any further time that a judge of the Federal Court may fix or allow before or after the end of those 30 days

#### **Demande de contrôle judiciaire**

18.1 (1) Une demande de contrôle judiciaire peut être présentée par le procureur général du Canada ou par quiconque est directement touché par l'objet de la demande.

#### **Délai de présentation**

(2) Les demandes de contrôle judiciaire sont à présenter dans les trente jours qui suivent la première communication, par l'office fédéral, de sa décision ou de son ordonnance au bureau du sous-procureur général du Canada ou à la partie concernée, ou dans le délai supplémentaire qu'un juge de la Cour fédérale peut, avant ou après l'expiration de ces trente jours, fixer ou accorder.

## VII. ARGUMENTS

### A. *Standing*

[16] The Applicant argues that, as a result of the direct adverse impact it has suffered from the Registrar's Decision, it clearly has the standing required under s 18.1(1) of the *Federal Courts Act* to bring this application for judicial review: *TCC Holdings Inc v Families as Support Teams Society*, 2014 FC 830 [*TCC Holdings*].

### B. *Reasonableness*

[17] The Applicant says that the protection granted to official marks is "exceptional" because it gives important advantages over the rights associated with an ordinary Trade-mark: *Gill: Fox on Canadian Law of Trademarks and Unfair Competition*, 4<sup>th</sup> (online); *Ontario Association of Architects*, above, at paras 4 and 34-36.

[18] The Registrar's finding that the Respondent is a public authority is at odds with the evidence. While there is no definition for "public authority" in the *Trade-marks Act*, the Applicant submits that the Federal Court of Appeal has set out a two-part test to determine this issue. The Court must first determine whether the entity in question is subject to governmental control, and then review the extent to which the organization's activities benefit the public: *Ontario Association of Architects*, above. Status as a charity is not enough for an entity to qualify: *Canadian Jewish Congress v Chosen People Ministries, Inc*, 2003 FCA 272 at para 4 [*Canadian Jewish Congress*]; *TCC Holdings*, above, at paras 23-24.

C. *Extension of time*

[19] This is an appropriate case, according to the Applicant, for the Court to exercise its discretion under s 18.1(2) of the *Federal Courts Act* to extend the time period for commencing a judicial review application period beyond 30 days: *Canada (Attorney General) v Larkman*, 2012 FCA 204 at paras 61-62; *TCC Holdings*, above. Several reasons as to why it is in the interests of justice to do so are submitted:

1. The Applicant's case on its merits is very strong;
2. There is no prejudice caused to the Respondent, who has not participated at all in the judicial review application;
3. There is a reasonable explanation for the delay, as it was only on July 18, 2014 that the Respondent's official mark prevented the Applicant to register its Trade-mark. The application for judicial review was initiated on October 5, 2015, well within the time period for responding to the examiner's report;
4. The Applicant will be significantly prejudiced if disallowed from proceeding with the judicial review because of: the exceptional nature of the rights associated with an official mark; there being no other avenue to challenge the mark; and the entity requesting the official mark is normally the only party to the proceeding before the Registrar of Trade-marks;
5. It would be unfair if a party that is not a public entity could enjoy the exceptional rights conferred on the holder of an official mark.

[20] The Respondent has not filed a notice of appearance or otherwise participated in this proceeding.

VIII. ANALYSIS

[21] The Respondent has declined to participate in these proceedings. At the hearing before me in Toronto, Mr. Cotter, counsel for the Applicant, informed the Court that his office had

received a voicemail message from Mr. Thiessen, a former president and director of the Respondent, indicating that the Respondent had sold its business to Rogers in 2005 and had no interest in responding to the application.

[22] Apart from the issue of costs, I am satisfied that the Applicant has established its case for the relief sought in that:

- (1) The Applicant has standing to bring this application under s 18.1(1) of the *Federal Courts Act* as being a party “directly affected by the matter in respect of which the relief is sought” and has suffered “a direct adverse impact from the decision” (see *Canada Post Corp v United States Postal Service*, 2005 FC 1630 at para 12) in that the NOWTV official mark was cited against the Applicant and prevented the Applicant from registering its NOW TV and Design Trade-mark. See *TCC Holdings*, above, at paras 8, 9, and 19;
- (2) The Decision is unreasonable because the law is clear that status as a charity is insufficient to constitute an entity as a “public authority.” See *Canadian Jewish Congress*, above, at para 3;
- (3) An extension of time within which to bring this application is warranted because it is in the interest of justice to do so for the following reasons:
  - a) The Applicant’s case on the merits is very strong;
  - b) There is no prejudice to the Respondent who has no further interest in the official mark and has not participated in this judicial review application;
  - c) There is a reasonable explanation for the delay. Although the Registrar’s Decision was made in 2001, it was only on July 18, 2014, when the Respondent’s official mark was cited in the Examiner’s Report against the Applicant in this application to register the Trade-mark NOW TV & Design. This application for judicial review was commenced on October 5, 2015, which was within the time period for responding to the examiner’s report.
  - d) The Applicant will be significantly prejudiced if barred from proceedings with this judicial review application because of the following unique aspects of official marks:
    - i. The exceptional nature of the rights conferred on the holder of an official mark;

- ii. There is essentially no other way to challenge an official mark. As noted above, once the Registrar has given public notice, an official mark is “hardy and virtually inexpungeable”;
  - iii. As the Federal Court of Appeal stated in *Ontario Association of Architects*, above, the entity requesting the official mark will normally be the only party to the proceeding before the Registrar. These are also very significant factors in the context of this case favouring the extension of time;
- e) It would be patently unfair and completely contrary to the interest of justice if an entity that is not a public authority was permitted to enjoy the exceptional rights conferred on the holder of an official mark. As was noted by the Federal Court of Appeal in *Ontario Association of Architects*, above, an official mark “confers very substantial benefits not available to the owners of trade-marks, and thus has the capacity to injure both existing trade-mark owners and the public.” The public interest (i.e., the potential injury to the public) is also a very significant factor in the context of this case favouring the extension of time.

[23] The Applicant has asked for costs against the Respondent for this application but the Court feels that costs are not warranted. The Respondent has not opposed the application and the Applicant is, in effect, simply correcting the Trade-mark register so that it can proceed with its own Trade-mark application.

**JUDGMENT**

**THIS COURT'S JUDGMENT is that**

1. Pursuant to s 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 30 days after the date that the Registrar's Decision was communicated;
2. The Registrar's Decision to grant NOW TV as an official mark of the Respondent is hereby quashed and set aside; and
3. No order is made as to costs.

**THIS COURT FURTHER DECLARES that** the public notice of NOWTV as an official mark given through publication in the *Trade-Marks Journal* of June 20, 2001, volume 48, issue number 2434 was ineffective to give rise to any rights or prohibitions under ss 9, 11, and 12 of the *Trade-Marks Act*, RSC 1985, c T-13.

\_\_\_\_\_  
"James Russell"

Judge

**FEDERAL COURT**  
**SOLICITORS OF RECORD**

**DOCKET:** T-1683-15

**STYLE OF CAUSE:** STARBUCKS (HK) LIMITED v TRINITY TELEVISION  
INC.

**PLACE OF HEARING:** TORONTO, ONTARIO

**DATE OF HEARING:** JUNE 15, 2016

**JUDGMENT AND REASONS:** RUSSELL J.

**DATED:** JULY 11, 2016

**APPEARANCES:**

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