

Federal Court



Cour fédérale

Date: 20190509

Docket: T-1446-18

Citation: 2019 FC 634

Ottawa, Ontario, May 9, 2019

PRESENT: The Associate Chief Justice Gagné

BETWEEN:

SOFIE GAGATEK

Applicant

and

GOWLINGS WLG (CANADA) LLP

Respondent

JUDGMENT AND REASONS

I. Nature of the Matter

[1] On May 1, 2018, the Registrar of Trade-Marks issued a decision expunging Canadian Trade-mark Registration No. TMA 442,769 [769 Registration] for the trade-mark First National Homestead Inc. & Design [the Trade-mark] from the register of trade-marks.

[2] Since May 12, 1995, the Trade-mark had been registered for use in association with real estate brokerage services, mortgage broker services, property management, and property and real estate investment services.

[3] Since its registration, Mr. Ian Gagatek has always been the registered owner of the Trade-mark.

[4] The Applicant, Ms. Sofie Gagatek, filed a notice of application for judicial review in respect of the Registrar's decision to expunge the 769 Registration. She is a registered broker and represents herself before this Court.

[5] In a letter dated June 13, 2018, a Hearing Officer of the Trade-marks Opposition Board notified the Applicant of the Registrar's decision to expunge the 769 Registration.

[6] In this letter, the Hearing Officer stated that the Registrar issued a final decision on May 1, 2018, and that the Registrar lacked the authority to grant the Applicant's request for an extension of time to file an affidavit establishing use of the Trade-mark.

II. Facts

[7] On November 29, 2017, the Canadian Intellectual Property Office [CIPO] notified Mr. Ian Gagatek and his representative for service, Ridout & Maybee LLP [Ridout], that expungement proceedings had been undertaken under section 45 of the *Trade-marks Act*, RSC 1985, c T-13 [TMA], at the request of Gowling WLG (Canada) LLP. In this letter, the CIPO

stated that if Mr. Gagatek did not submit evidence in the form of an affidavit or statutory declaration in the following three months regarding use of the Trade-mark in the previous three years, the Registrar would issue a decision to expunge the 769 Registration under subsection 45(3) of the TMA.

[8] On February 10, 2018, the Applicant sent a letter to the CIPO stating that the Trade-mark “has been in active use with respect to the goods/services specified in the registration during the three year period immediately preceding the date of your notice.” The Applicant enclosed Multiple Listing Service [MLS] listings and a copy of an “active website” of her family business, First National Homestead Realdom Inc. Brokerage, to establish use of the Trade-mark during the three-year period that preceded the notice. In her letter, the Applicant also requested that CIPO “update your files for our contact information and list the undersigned as the contact for all correspondence”.

[9] On March 9, 2018, the Registrar sent a letter to Ridout stating that it could not accept the February 10, 2018, letter and its attachments as evidence under section 45 of the TMA because it was not filed in the form of a properly executed affidavit or statutory declaration. CIPO stated that the deadline had elapsed, but that the Registrar could consider an application to extend time to file an affidavit or statutory declaration, if it received the prescribed fee of \$125.00 and an explanation as to why the delay was not reasonably avoidable.

[10] On May 4, 2018, a clerk at Ridout sent the Applicant an email enclosing the notice they received from CIPO with respect to the expungement proceedings.

[11] On May 8, 2018, the Applicant sent a letter to the Registrar, noting that she had asked it to list her as “the contact for all correspondence” and to remove Ridout as it no longer represented her. The Applicant also requested an extension of time to file a properly executed affidavit or statutory declaration which she would later file, though she did not enclose the prescribed fee.

[12] On June 13, 2018, the Registrar addressed a letter to Mr. Gagatek and the Respondent, in response to the Applicant’s letter. The Registrar first apologized that the Applicant’s contact information was not updated as requested in her February 10, 2018, letter; however, that letter did not indicate that she wished to revoke Ridout as her agent and representative. The Registrar then stated that she issued a final decision on May 1, 2018 “expunging this trade-mark from the Trade-marks Register.” Accordingly, she considered herself to be *functus officio* and without the authority to grant a retroactive extension of time after rendering a final decision (*Wolfville Holland Bakery Ltd v Canada (Registrar of Trade Marks)* (1964), 42 CPR 88 at 91 (Ex Ct); *Ford Motor Co of Canada Ltd v Registrar of Trade Marks* (1977), 36 CPR (2d) 135 (FCTD) at 137). The request for an extension of time therefore could not be considered.

[13] The Registrar then stated that subsection 45(5) of the TMA must be followed and that if no appeal is filed at the Federal Court within the delay set forth in section 56 of the TMA, the 769 Registration must be expunged from the register in accordance with the Registrar’s final decision.

[14] On July 30, 2018, the Applicant applied for judicial review before this Court. The notice of application states that the judicial review is in respect of the Registrar's decision to expunge the 769 Registration from the register on May 1, 2018. The Applicant requests that the 769 Registration be "reinstated by the Registrar into the Trade-Marks register" and claims punitive damages of \$50,000.00 for "gross negligence and lost income".

[15] The Registrar formally expunged the 769 Registration for non-use on August 8, 2018.

III. Issues

[16] This case raises two material procedural issues which could potentially prevent this Court from addressing the merits:

- A. *Since the Registrar formally expunged the 769 Registration from the register on August 8, 2018, in accordance with its decision of May 1, 2018, can this Court entertain the application before it and reinstate the 769 Registration if use is shown?*
- B. *Does the Applicant have standing, or sufficient interest, to bring an appeal under section 56 of the TMA?*

[17] On the merits, this case raises the following issue:

- C. *Has the Applicant shown use of the Trade-mark?*

IV. Analysis

- A. *Since the Registrar formally expunged the 769 Registration from the Register on August 8, 2018, in accordance with its decision of May 1, 2018, can this Court entertain the application before it and reinstate the 769 Registration if use is shown?*

[18] I would first note that the two remedies sought in the Applicant's notice of application for judicial review are unavailable under sections 18 and 18.1 of the *Federal Courts Act*, RSC 1985, c F-7 [FCA].

[19] Relief from the Registrar's decision to expunge the 769 Registration, under subsection 45(3) of the TMA, would fall within the ambit of subsection 45(5) and section 56 of the TMA and is not available in an application for judicial review (section 18.5 of the FCA). In addition, this Court cannot award damages in a judicial review (*Canada (Attorney General) v TeleZone Inc*, [2010] 3 SCR 585 at para 52).

[20] While the Applicant does not specifically request administrative law remedies in respect of the Registrar's letter dated June 13, 2018 (though she does at times refer to it as a "decision"), such relief appears to be unavailable, to the extent that this letter can be described as a decision. As the Registrar noted, she had rendered a final decision to expunge the 769 Registration under subsection 45(3) of the TMA and could not retroactively grant an extension of time to file evidence of the Trade-mark's use (*Wolfville Holland Bakery Ltd v Canada (Registrar of Trade Marks)* (1964), 42 CPR 88 at 91 (Ex Ct); *Ford Motor Co of Canada Ltd v Registrar of Trade Marks* (1977), 36 CPR (2d) 135 (FCTD) at 137; *Torres v Barrette Legal Inc*, 2017 FC 552 at paras 4-5; *Bereskin & Parr v La Cie de Literie Provinciale Ltée*, 2005 CanLII 78347 (CA TMOB); *Doumak Inc v Fireside Snacks of Canada Ltd*, 59 CPR (3d) 107 (CA TMOB)).

[21] As the Registrar directed at the end of the letter, the correct course of action at that time was to file a notice of appeal under section 56 of the TMA (*Austin Nichols & Co, Inc v Cinnabon*

Inc., [1998] 4 FC 569 (FCA) at paras 18-20). Such an appeal is treated as an application under paragraph 300(d) of the *Federal Courts Rules*, SOR/98-106 [Rules].

[22] That being said, Rule 56 provides that “[n]on-compliance with any of these Rules does not render a proceeding, a step in a proceeding or an order void, but instead constitutes an irregularity, which may be addressed under rules 58 to 60.” Moreover, Rule 57 provides that “[a]n originating document shall not be set aside only on the ground that a different originating document should have been used.” Accordingly, under Rule 60, this Court may permit a party to remedy any non-compliance with the Rules on such conditions as the Court considers just at any time before a judgment is given in a proceeding.

[23] In *Le Massif Inc v Station touristique Massif du sud (1993) Inc*, 2011 FC 118, the Registrar had refused an application to register a trade-mark in the context of opposition proceedings brought under section 38 of the TMA. The unsuccessful party applied for judicial review of the Registrar’s decision. This Court allowed an oral motion under Rule 56 and Rule 57 to convert the application for judicial review to an appeal under section 56 of the TMA (at paras 1-3). Consequently, the Court struck the Registrar as a respondent and proceeded with the matter as an appeal of the Registrar’s decision under section 56 of the TMA.

[24] Here, on July 30, 2018, the Applicant filed a notice of application for judicial review of the Registrar’s decision, serving only Gowling as the designated Respondent. Instead, the proper procedure was to file a notice of appeal under subsection 56(2) of the TMA in this Court and with the Registrar. As such, the Registrar was never served or otherwise notified of the

Applicant's intention to challenge its decision to expunge the 769 Registration. Since the Applicant did not file a notice of appeal with the Registrar as required, the Registrar formally expunged the 769 Registration on August 8, 2018, as provided under subsection 45(5) of the TMA even though the Applicant had already applied for judicial review of the decision to expunge. Had the Registrar been properly notified, it would not have formally expunged the 769 Registration until a final judgment upholding its decision.

[25] This being said, I believe these procedural irregularities can be rectified such that the matter can proceed as an appeal under section 56 of the TMA. Although the consequence of the Applicant's improper procedural choice is that the 769 Registration has been formally expunged from the register, it appears that this Court has the power to order the Registrar to reinstate a registration. Notably, subsection 56(5) of the TMA provides that: "On an appeal under subsection (1), evidence in addition to that adduced before the Registrar may be adduced and the Federal Court may exercise any discretion vested in the Registrar."

[26] Therefore, to the extent that the Applicant has standing to bring an appeal, this matter should be treated and proceeded with as an appeal under section 56 of the TMA.

B. *Does the Applicant have standing, or sufficient interest, to bring an appeal under section 56 of the TMA?*

[27] Subsection 45(1) of the TMA requires that notice be given to the registered owner of a trade-mark, to furnish evidence of use of the trade-mark in Canada within the past three years. Once the Registrar decides to expunge or maintain a registration, subsection 45(4) of the TMA

provides that notice of the decision and reasons also be given to the registered owner and to the person at whose request the notice referred to in subsection 45(1) of the TMA was given (in this case, Gowling).

[28] On the other hand, subsection 45(6) and section 56 of the TMA, dealing with appeals, do not set forth who may appeal the Registrar's decision. Notably, subsection 56(1) of the TMA states that "[a]n appeal lies to the Federal Court from any decision of the Registrar under this Act", while subsection 45(5) of the TMA provides that "[t]he Registrar shall act in accordance with his decision if no appeal therefrom is taken".

[29] Previous decisions of this Court have attempted to delimit who may bring an appeal of a Registrar's decision under section 56 of the TMA.

[30] In *Groupe Resto Inc v Pachino's Pizza Ltd*, [1994] FCJ No 1607 (FCTD), this Court held that the appellant did not have standing to appeal a decision rendered under section 38 of the TMA which permits "any person" to oppose a trade-mark application. The original opposition before the Registrar was brought by the registered owner of the trade-mark PACINI against an application for the trade-mark PACINO. The trade-mark PACINI was later assigned to a successor in title. After the assignment, the original owner of the PACINI trade-mark and the party applying for the PACINO trade-mark remained the only parties to the opposition proceedings; only they received notice of the Registrar's decision. The successor in title attempted to appeal the opposition decision to this Court under section 56 of the TMA.

[31] Ultimately, this Court held that the successor in title did not have standing for the following reasons:

“although the statutory appeal provided for by s. 56(1) is not expressly reserved to anyone in particular, that does not mean that any person may exercise this exceptional right... In the case at bar not only does the Act state that any person may appeal the Registrar’s decision made under [subsection 38(1) of the TMA] of which, incidentally, authorizes ‘any person’ to file an opposition within the stated deadline), but in addition s. 38(8) requires the Registrar to notify “the parties” of his decision and his reasons therefor. In the circumstances it seems logical and proper to conclude that only parties so notified or informed of the Registrar’s decision have the right to appeal it.”

[Emphasis added.]

[32] In *Gainers Inc v Robin Hood Multifoods Inc* (1996), 109 FTR 309 (FCTD), this Court treated a motion to strike an appeal of a decision expunging a registration from the register on the basis of standing. In that case, the appellant, Gainers, was the registered owner at the time notice was received from the Registrar under subsection 45(1) of the TMA, but assigned the trade-mark to another corporation, Burns, before the Registrar rendered its decision to expunge the registration from the Register. This Court first noted that section 56 of the TMA “does not purport to restrict who may appeal the decision.” In holding that the original registered owner had standing to appeal the decision, the Court held as follows:

Expungement ordered by the Registrar would be related to lack of use by Gainers in the period before the s. 45 proceedings were initiated. Gainers is the party which can most directly deal with findings related to its use or lack of use of the trade mark. In my view, as the registered owner at the time and an interested party in the proceedings before the Registrar, Gainers has a continuing interest which, unless Burns were to object, supports its right to appeal the decision of the Registrar.

I think that an appeal under the Act must be made by someone who has an interest in the general way and that includes anybody who

was a party...before the Registrar in the proceedings...It seems to me that in the circumstances Gainers having been a party at the level of the Registrar, whose decision is now questioned, and there was at that time no question of their involvement as a party, when the matter started at least, they have a right, in my view, to question the decision of the Registrar.

[33] In *NTD Apparel Inc v Ryan*, 2003 FCT 780, this Court treated an appeal brought under section 56 of the TMA of a decision to expunge two trade-mark registrations. Several years following registration of the trade-marks in question, the registered owner declared bankruptcy and thereafter assigned the trade-marks to the appellant through a series of unregistered transactions. The registered owner originally filed the appeal under section 56 of the TMA, but this Court ultimately granted a motion ordering that the unregistered owner of the trade-marks be made the appellant and struck the bankrupt registered owner from the proceedings (at para 4). The Court proceeded to assess use of the trade-marks subject to the expungement decision.

[34] It is apparent from the TMA as drafted, and the cases interpreting the appeal provisions that, in principle, the standing to appeal a decision expunging the registration of a trade-mark rests with the persons involved in the proceedings before the Registrar. In other words, only a person who was a party before the Registrar shall enjoy the statutory appeal right provided under section 56 of the TMA.

[35] In the case at hand, the Applicant has at no time been listed as the registered owner of the Trade-mark or as a party before the Registrar. Although the Registrar accepted the Applicant's correspondence as correspondence sent on behalf of the registered owner, her own

correspondence and notice was always given to one or both of Ridout (the representative for service) and Mr. Ian Gagatek (the registered owner).

[36] At the hearing, the Applicant provided the Court with additional information that was not before the Registrar. The Applicant informed the Court that Mr. Ian Gagatek was her father and that he had passed away in 2004, leaving the family business to his wife Anna Gagatek. The Applicant also stated that her mother had asked her to file the present appeal of the Registrar's decision and to act on her behalf.

[37] In these circumstances, I am unfortunately unable to conclude that the Applicant has standing to bring the present appeal. The Registrar should have been informed of the transmission of rights in favour of Anna Gagatek, the new owner of the Trade-Mark since 2004, and Anna Gagatek should have brought the present appeal.

V. Conclusion

[38] As the Applicant does not have standing, the appeal is dismissed. The Respondent did not seek its costs and none will be granted.

JUDGMENT in T-1446-18

THIS COURT'S JUDGMENT is that:

1. The appeal is dismissed;
2. No costs are awarded.

"Jocelyne Gagné"
Associate Chief Justice

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-1446-18

STYLE OF CAUSE: SOFIE GAGATEK v GOWLINGS WLG (CANADA)
LLP

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