

Date: 20080501

**Dockets: T-1570-07
T-1571-07**

Citation: 2008 FC 569

Toronto, Ontario, May 1, 2008

PRESENT: The Honourable Mr. Justice Lemieux

BETWEEN:

SIMPSON STRONG-TIE COMPANY, INC.

Applicant

and

PEAK INNOVATIONS INC.

Respondent

REASONS FOR ORDER AND ORDER

Introduction and Background

[1] This is an appeal by Simpson Strong-Tie Inc. (Strong-Tie) and a cross appeal by Peak Innovations Inc. (Peak) from the March 31st 2008 decision of Prothonotary Aalto in both of these Court files which are appeals taken by Strong-Tie from two similar decisions of the Registrar of Trade-Marks (the Registrar) dated June 21, 2007 dismissing Strong-Tie's oppositions to Peak's

applications for the registration of the mark GREYISH GREEN DECK BOARD FASTENER in association with “fastener brackets for attaching deck boards”.

[2] Prothonotary Aalto decided two matters at issue in these appeals:

1. First he dismissed Strong-Tie’s motion to amend the statement of opposition it filed before the Registrar in order to specifically plead Peak’s applications for trade-mark registration did not conform to paragraph 38(h) of the *Trade-Mark Act (the Act)*. In doing so Aalto P. relied on Justice Harrington’s decision in *Sun World International Inc. v. Parmalat Dairy and Bakery Inc.* 2007 FC 861 holding the Federal Court had jurisdiction in very limited circumstances to amend on appeal to this Court pursuant to Section 56 of the *Trade-Marks Act (the Act)* a statement of opposition to add a new ground of opposition which had not been before the Registrar. The Prothonotary ruled Strong-Tie’s proposed amendment did not fit within the limited circumstances justifying such an amendment.
2. Second he dismissed Peak’s resistance to Strong-Tie’s motion for an extension of time to file two applicant’s affidavits under Rule 306 of the *Federal Courts Rules*, 1998 (*the Rules*).

[3] In its appeal Strong-Tie argues the Prothonotary erred in applying *Sun World* above to the facts of this case. What is different here, counsel for Strong-Tie argues, is that the issue whether Peak’s trade-mark application violates paragraph 30 (h) of the Act was before the Registrar who ruled on it. In the circumstances Strong-Tie’s counsel argues, unlike *Sun World*, there is no new

issue on appeal, no new record (fresh evidence) on appeal is required and the Court has had the benefit of the informed and expert views of the Registrar on the question. Moreover, he argues the Prothonotary was wrong when he concluded that Strong-Tie would be splitting its case.

[4] In its cross-appeal, Peak argues Prothonotary Aalto in granting Strong-Tie's extension of time to file its affidavits failed to consider relevant factors, namely the lack of explanation by Strong-Tie for its delay in not respecting the Order of Prothonotary Milczynski dated October 9th, 2007 which had already extended the time for the Applicant to file its affidavits to December 27, 2007. Peak also argues the Prothonotary failed to consider the relevance of Strong-Tie's proposed affidavits.

Conclusions

[5] For the reasons expressed below Strong-Tie's appeal and Peak's cross appeal from Prothonotary Aalto March 31st, 2008 decision are dismissed with costs.

[6] On the standard of review I accept Strong-Tie's argument I should review the matter *de novo* because the issue whether to allow a new ground in a statement of opposition is vital to its final resolution. With respect to the Prothonotary's decision to extend the time for filing affidavits, such decision is clearly a discretionary decision which the authorities hold cannot be set aside on appeal unless it was clearly wrong.

[7] On the first issue, the refusal to allow an amendment to the Strong-Tie's statement of opposition, the following extract from the Registrar's decision indicates how the section 30(h) issue arose before him:

At the oral hearing, the opponent's agent submitted that there is no indication in either application as to the size or specific physical dimensions of the object shown in the drawing. However, as noted by the applicant's agent, neither statement of opposition includes any pleading to that effect or a ground based on non-conformance to the requirements of Section 30(h) of the *Act*. Thus, I am precluded from considering any such ground in these proceedings. In any event, there is no requirement for the applicant to restrict the mark claimed to a specific size. So long as the wares are adequately described and defined, color alone can function as a trade-mark as in the case, for example, of a single color for a sheet of fibre glass insulation.

(Emphasis mine)

[8] In its notice of appeal from the Registrar's decision dated August 27, 2007, counsel for Strong-Tie characterized the Registrar's error in respect of paragraph 30(h) was his holding:

"It was necessary to specifically plead Section 30(h) of the *Trade-Marks Act* and that the pleading of Section 30 was not sufficient to sustain the objection."

[9] Counsel for Peak opposed Strong-Tie's appeal on two grounds: first the Federal Court had no jurisdiction to make the amendment sought and, even if it did, the Prothonary was correct that the limited circumstances in which such an amendment is permissible was not present here.

[10] I do not propose to deal with the jurisdictional bar raised by Peak's counsel. I entirely agreed with Justice Harrington and with Prothonary Aalto that the law is to the effect that only in the rarest of circumstances necessary to render justice would this Court permit an amendment to a

statement of opposition (a pleading) to add a new ground of opposition not asserted before the Registrar. There is an inherent unfairness to allow a litigant to “save up” new grounds on appeal. I cannot accept counsel for Strong-Tie’s argument no new grounds are being sought here and that no new record would be necessary. It is clear if Strong-Tie does not convince a judge of this Court that the Registrar erred when deciding that its statement of opposition did not plead paragraph 30(h) the required amendment to the statement of opposition to plead it is necessary thus adding a new grounds not there before.

[11] Moreover his submission the evidentiary record need not be expanded is not borne out by Strong-Tie’s motion before the Prothonary which seeks an order permitting it to file affidavits in support of “the more specifically detailed ground of opposition set out in the new paragraph 1(b) of the amended statement of opposition...”. Clearly the place to seek an amendment to the statement of opposition was before the Registrar and not before this Court. In these circumstances I see no basis upon which the requested amendment sought could be granted.

[12] On the cross-appeal by Peak the argument is that the Prothonary erred in not taking into account relevant factors. He relies upon the case of *Strykivsky v. Strong Mountain Institution*. [2000] F.C.J. No. 1404.

[13] In arguments counsel for Peak conceded his issues of lack of explanation for the delay and draft affidavits to demonstrate relevance were put before the Prothonary. He also concedes his cross appeal was served and filed after Strong-Tie had filed its materials in compliance with the

Prothonary's Order. Simply because the Prothonary did not specifically refer to the factors counsel for Peak mentioned does not mean he did not consider and weigh them. In my view he did. It is clear he gave the factor of lack of prejudice to Peak substantial weight as he was entitled to do. He also took into account other considerations such as the number of outstanding matters before the Court involving the parties, the need for their coordination and the necessity for case management which he ordered.

[14] For these reasons, I decline to interfere with the Prothonary's exercise of discretion to extend time.

ORDER

THIS COURT ORDERS that:

1. The appeal by Simpson Strong-Tie Company Inc. is dismissed with costs.
2. The cross-appeal by Peak Innovations is dismissed with costs.

“François Lemieux”

Judge

FEDERAL COURT
SOLICITORS OF RECORD

DOCKETS: T-1570-07
T-1571-07

STYLE OF CAUSE: *SIMPSON STRONG-TIE COMPANY, INC. v. PEAK INNOVATIONS INC.*

PLACE OF HEARING: TORONTO, ONTARIO

DATE OF HEARING: APRIL 28, 2008

REASONS FOR ORDER AND ORDER: LEMIEUX J.

DATED: May 1, 2008

APPEARANCES:

Kenneth D. McKay FOR THE APPLICANT

Paul Smith FOR THE RESPONDENT

SOLICITORS OF RECORD:

Sim, Lowman, Ashton & McKay LLP FOR THE APPLICANT
Toronto, Ontario

SMITHS IP FOR THE RESPONDENT
Vancouver, British Columbia