Federal Court



## Cour fédérale

Date: 20140829

**Docket: T-2086-13** 

**Citation: 2014 FC 830** 

Ottawa, Ontario, August 29, 2014

PRESENT: The Honourable Mr. Justice Brown

**BETWEEN:** 

TCC HOLDINGS INC.

**Applicant** 

and

# THE FAMILIES AS SUPPORT TEAMS SOCIETY

Respondent

#### **JUDGMENT AND REASONS**

#### I. Overview

[1] This is an application for judicial review brought by TCC Holdings Inc. [the Applicant] under section 18.1 of the *Federal Courts Act*, RSC 1985, c F-7, of a decision of the Registrar of Trade-marks (the Registrar) to give public notice through publication in the Trade-marks Journal of May 1, 1996, volume 43, No 2166 of adoption of the use by The Families as Support Teams Society (the Respondent) of the official mark F A S T.

[2] In my opinion, the application for judicial review should be allowed for the reasons that follow.

#### II. Facts

- [3] The Respondent was incorporated in the Province of British Columbia on September 4, 1991, under the name "Families and Spiritual Teachings International Society". It changed its name to "Families as Support Team Society" on June 22, 1993.
- [4] The Respondent obtained the status of registered charity on April 6, 1994.
- [5] On April 1, 1996, the Respondent requested that the Registrar give public notice, in accordance with subparagraph 9(1)(n)(iii) of the *Trade-marks Act*, RSC 1985, c T-13 [*Trade-marks Act*] of the adoption and use of the official mark F A S T.
- [6] Pursuant to subparagraph 9(1)(n)(iii) of the *Trade-marks Act*, the Registrar gave public notice through publication in the Trade-marks Journal of May 1, 1996, volume 43, No 2166, of the adoption and use by the Respondent of the FAST mark for services as an official mark.
- [7] The Respondent had its charity status revoked on May 20, 2006 for failure to file. The Respondent was thereafter dissolved on November 30, 2007.
- [8] On May 2011, the Applicant filed a Canadian trade-mark application for the trade-mark FAST.

- [9] On November 17, 2011, the Examiner at the Canadian Intellectual Property Office [the Examiner] issued an Examiner's Report stating that the Applicant's registration of the trademark FAST was prohibited by subparagraph 9(1)(n)(iii) of the *Trade-marks Act*, citing the Respondent's FAST official mark.
- [10] The Applicant has attempted to contact the Respondent to request consent for the Applicant's Canadian trade-mark application to proceed on six occasions, since November 29, 2011.
- [11] The Applicant filed this Application for Judicial Review on December 19, 2013.
- [12] The Respondent did not file a Notice of Appearance or any other proceedings, and despite being duly served, did not appear at the hearing of this application.

#### III. Decision under Review

[13] The decision under review is the decision of the Registrar to give public notice through publication in the Trade-marks Journal of May 1, 1996, volume 43, No 2166, of the adoption and use by the Respondent of the FAST mark for services as an official mark.

#### IV. Issue

[14] This matter raises the following issue: did the Registrar err in recognizing the Applicant as a public authority under subparagraph 9(1)(n)(iii) of the *Trade-marks Act*?

#### V. Standard of Review

[15] In *Dunsmuir v New Brunswick*, 2008 SCC 9 at paras 57, 62 [*Dunsmuir*], the Supreme Court of Canada held that a standard of review analysis is unnecessary where "the jurisprudence has already determined in a satisfactory manner the degree of deference to be accorded with regard to a particular category of question".

[16] In my opinion, reasonableness is the applicable standard of review.

## VI. Relevant Provisions

[17] Subparagraph 9(1)(n)(iii) of the *Trade-marks Act* provides:

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,

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) any badge, crest, emblem or mark

*n*) tout insigne, écusson, marque ou emblème :

[...]

[...]

(iii) adopted and used by any public authority, in Canada as an official mark for wares or services. (iii) adopté et employé par une autorité publique au Canada comme marque officielle pour des marchandises ou services.

in respect of which the

à l'égard duquel le registraire,

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; 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;

[18] Paragraph 12(1)(e) of the *Trade-marks Act* provides for when trade-marks may or may not be registered:

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

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

[...]

[...]

(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;

#### VII. Analysis

[19] The Applicant has established its interest and standing in this matter and is entitled to bring this application.

[20] In Canada Post Corp v United States Postal Service, 2005 FC 1630 at paras 31-35 [Canada Post], Justice Mactavish provides a useful summary of the legal framework applicable to a decision such as this. I reproduce it in full because it is directly applicable to this application:

[31] Subparagraph 9(1)(n)(iii) prohibits the *adoption* of official marks by others, whereas section 11 of the *Act* prohibits the *use* of the marks by others. The *registration* of the marks by others is prohibited by subsection 12 of the *Act*.

- [32] Subparagraph 9(1)(n)(iii) gives extensive protection to the holders of official marks, including substantial advantages over the rights accorded to owners of ordinary trade-marks: *Ontario Association of Architects*, at ¶ 4. By way of example, an official mark need not serve to distinguish wares or services: it may be merely descriptive, and may also be confusing with the mark of another: *Ontario Association of Architects*, at ¶ 63.
- [33] Once public notice has been given with respect to the adoption and use of an official mark, the mark is "hardy and virtually unexpungeable": *Mihaljevic v. British Columbia* (1988), 23 C.P.R. (3d) 80, at 89.
- [34] For these reasons, the Federal Court of Appeal has stated that subparagraph 9(1)(n)(iii) of the *Trade-marks Act* should not be given an expansive meaning: *Ontario Association of Architects*, at ¶ 64.
- [35] The principle requirement for the publication of an official mark is that the party seeking publication be a "public authority": *Canadian Jewish Congress v. Chosen People Ministries, Inc. et al.*, (2002), 19 C.P.R. (4th) 186, 2002 FCT 613, aff'd (2003) 27 C.P.R. (4th) 193, 2003 FCA No. 272. The term "public authority" is not defined in the Act.
- [21] While there is no definition of public authority in the *Trade-marks Act*, the Federal Court of Appeal established a two-part test to determine if a party is a "public authority" for the purposes of subparagraph 9(1)(n)(iii) of the *Trade-marks Act* in *Ontario Assn of Architects v Assn of Architectural Technologists of Ontario*, 2002 FCA 218 at paras 47-53 [*Ontario Association*]. The Court must first determine if the Respondent is subject to a significant degree of governmental control, and second, the Court must examine the extent to which the organization's activities benefit the public (see also *Canada Post* at para 71).

#### A. Governmental Control

- [22] The Applicant submits that the Respondent was held to be a "public authority" by the Registrar because the Respondent submitted in its request for public notice of official mark that it was a registered charity and therefore subject to Government control and scrutiny under the *Income Tax Act*, RSC 1985, c 1 (5th Supp), and related statutes.
- [23] Subsequent to the Registrar's decision, this Court held in *Canadian Jewish Congress v Chosen People Ministries, Inc*, [2003] 1 FC 29 at paras 53, 55 [*Canadian Jewish Congress*] that being incorporated as a non-profit corporation with charitable objects, having obtained tax-exempt status, and having the ability to issue charitable receipts to donors was in law, insufficient to constitute that party a "public authority". The Court held that a significant degree of governmental control is required for a party to be constituted into a "public authority" for the purposes of subparagraph 9(1)(n)(iii) of the *Trade-marks Act* (see also *See You In Canadian Athletes Fund Corporation v Canadian Olympic Committee*, 2007 FC 406 at paras 59-60).
- [24] In *Ontario Association* the Federal Court of Appeal, at paragraph 59, offers guidance as to what government control entails:

Even if the test of governmental control of an otherwise private organization does not require control by the Executive, as opposed to control by the Legislature, it does call for some ongoing government supervision of the activities of the body claiming to be a public authority for the purpose of subparagraph 9(1)(n)(iii)

[Emphasis added].

- [25] The Respondent's request for public notice of an official mark from the Registrar included a letter from the Secretary of State, granting the Respondent \$25,000 under the condition that it included a line in all the promotional material associated with the funded project acknowledging the financial assistance provided by the Multiculturalism Programs of the Department of Canadian Heritage, as well as the provision of attendance records for the workshops and a narrative report on the activities carried out under the grant.
- The material before the Registrar also included a letter regarding a job creation project in which the Project Officer at Human Resources Development Canada explains to the Respondent that "[a]ll employees must be referred by a Canada Employment Centre", which would confirm the eligibility of individuals the Respondent wished to hire. However, this letter merely describes a potential contractual agreement. There is no evidence as to whether the parties effectively entered in such a contractual relationship.
- [27] In my respectful opinion, the conditions attached to the money grant by the Secretary of State do not amount to "ongoing government supervision" nor do they amount to "significant governmental control".
- [28] Neither letter constitutes evidence of "ongoing government supervision", nor do they individually or collectively constitute "significant governmental control".
- [29] Therefore the Respondent did not meet the test of significant government control. Furthermore, the Respondent was not a public authority for the purposes of subparagraph

9(1)(n)(iii) of the *Trade-marks Act* at the time of the Registrar's publication of adoption of the use by the Respondent of the official mark FAST.

#### B. Public Benefit

[30] In light of my conclusion that the Respondent was not subject to a sufficiently significant degree of governmental control to qualify as a public authority, it is not necessary to consider whether its activities satisfy the public benefit requirement.

#### VIII. Conclusion

- [31] Simply put, the Respondent was not a public authority in Canada when the Registrar published notice of adoption and use. Even if it was a public authority at that time, which it was not, in my opinion at the time that its charitable status was revoked and the Respondent was dissolved, the Respondent ceased to be a public authority. In either event the Respondent is not entitled to benefit from the *Trade-marks Act* as a public authority in respect of an official mark of which the Registrar gave public notice of adoption and use.
- [32] Given the above, the application for judicial review should be allowed. The decision of the Registrar will be quashed. The public notice of the official mark "F A S T" is ineffective to give rise to any rights or prohibitions under sections 9 and 11 of the *Trade-marks Act*. The Applicant shall have its costs.

# **JUDGMENT**

## THIS COURT'S JUDGMENT is that

- 1. This application for judicial review is allowed.
- 2. The decision of the Registrar is quashed.
- 3. The public notice of the official mark "F A S T" is ineffective to give rise to any rights or prohibitions under sections 9 and 11 of the *Trade-marks Act*.
- 4. The Applicant shall have its costs.

"Henry S. Brown"
Judge

#### **FEDERAL COURT**

## **SOLICITORS OF RECORD**

**DOCKET:** T-2086-13

STYLE OF CAUSE: TCC HOLDINGS INC. v THE FAMILIES AS SUPPORT

TEAMS SOCIETY

**PLACE OF HEARING:** TORONTO, ONTARIO

**DATE OF HEARING:** AUGUST 20, 2014

JUDGMENT AND REASONS: BROWN J.

**DATED:** AUGUST 29, 2014

**APPEARANCES**:

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No one appearing FOR THE RESPONDENT

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