

Federal Court



Cour fédérale

**Date: 20150430**

**Docket: T-343-14**

**Citation: 2015 FC 566**

**Toronto, Ontario, April 30, 2015**

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

**BETWEEN:**

**1104559 ONTARIO LTD.**

**Applicant**

**and**

**HOME HARDWARE STORES LIMITED**

**Respondent**

**ORDER AND REASONS**

[1] The present Application is an appeal under subsection 56(1) of the *Trade-marks Act*, RSC 1985, c T-13 (the *Act*) of a decision of the Registrar of Trade-marks' delegate (the Registrar) dated December 4, 2013, in which, upon receiving written argument and conducting a hearing in which both the Applicant and Respondent participated, the Registrar refused the Applicant's application No. 1,494,108 to register the trade-mark Home Team & Design (the Mark) in association with the following services: sales and installation of exterior residential and

commercial products, namely, windows, doors, patio doors, storm doors, eavestroughs, siding, garage doors, awnings, sunrooms, screen rooms, skylights, decks and railings.

[2] The refusal was based on the Respondent's ground of opposition that the Applicant had not complied with s. 30(b) of the *Act* because it had not used the Mark in association with the services named in the application since the claimed date of first use, being February 1, 2004, and the filing date of the Applicant's application, being August 31, 2010 when it was filed in the name of Van Dolder's Home Team Inc., the Applicant's predecessor-in-title.

[3] The sole ground in the present appeal is whether the Registrar's refusal pursuant to s.30(b) is reasonable.

[4] With respect to the onus of proof on the application for registration, the Registrar made the following finding at paragraph 10 of the decision:

The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. There is, however, an initial burden on the Opponent to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist [see *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCID) at 298 and *Dion Neckwear Ltd v Christian Dior, SA* (2002), 20 CPR (4th) 155 (FCA)].

[5] The Applicant did not file evidence before the Registrar in support of the registration of the Mark.

[6] To discharge its onus with respect to the s. 30(b) ground of opposition, the Respondent relied on evidence found as a result of an internet search of the Applicant's predecessor-in-title website. The Registrar describes this process in paragraphs 27 to 33 of the decision:

Ms. Iveson is a student-at-law employed by the agent for the Opponent's law firm. Ms. Iveson states in paragraph 3 of her affidavit that she was instructed by an associate in her firm to visit and print the front page of the "Van Dolder's Home Team" website located at *www.vandolders.com*, as well as pages from various other sections of the website.

There was some discussion at the hearing regarding the fact that no evidence has been filed to show that the Applicant is in fact the owner of the website. However, I note that the contact information which appears on the various website print-outs attached as exhibits to Ms. Iveson's affidavit shows the same address which appears as the Applicant's registered corporate address in the corporate search results which were attached as Exhibits "D" and "F" of the Som affidavit. In view of this, I find it reasonable to conclude that the website which was visited by Ms. Iveson was that of the Applicant.

In addition, the Applicant objected to the admissibility of Ms. Iveson's affidavit on the basis that it was sworn by an employee of the agent for the Opponent and relates to a point of substance and controversy in these proceedings. The Applicant submits that the agent for the Opponent cannot be both a "counsel machine" and an "evidence machine". By contrast, the Opponent submits that the Iveson affidavit is admissible as it does not comprise any contentious opinion type evidence.

The Federal Court of Appeal has made it clear that "it is not good practice for a law firm to cause its employees to act as investigators for the purpose of having them later give opinion evidence on the most crucial issues in the case" [see *Cross-Canada Auto Body Supply (Windsor) Ltd v Hyundai Auto Canada* 206 FCA 133 (CanLII) at para 4, (2006), 53 CPR (4th) 286 (FCA)].

The Court is less clear on how solely non-opinion evidence furnished by a firm's employee should be treated. However, it does state that "it is improper for a solicitor to compromise his independence by acting in a proceeding in which a member of his firm has given affidavit evidence on a point of substance" [*Cross-Canada, supra*, at para 7].

In the present case, I agree with the Applicant that the Iveson affidavit relates to a contentious issue (i.e. whether or not the Applicant has used the Mark as alleged in its application). However, I also agree with the Opponent that Ms. Iveson has not provided what may be considered to be opinion type evidence of the sort that was adduced in *Cross-Canada*.

Ms. Iveson has essentially visited the Applicant's website and located and printed instances of the Mark or variations thereof as they would have appeared at the time of swearing of her affidavit and historically. The parameters of the searches which she conducted are very clearly set out in paragraphs 3(i)-3(vi) and 4 of her affidavit. In view of this, I am prepared to consider her affidavit and I will therefore now go on to consider whether it is sufficient for the Opponent to meet its burden in relation to the section 30(b) ground of opposition, either alone or in combination with the other evidence which the Opponent has put forward.

[7] Cogent findings made by the Registrar upon considering the evidence are stated at paragraphs 43 to 53 of the decision are as follows:

In paragraphs 14 and 15 of her affidavit, Ms. Iveson confirms that she was unable to locate any instances of the Mark in any historical version of the Applicant's website [see paras 14 and 15]. A review of Exhibit "F" shows variations of the Mark, all of which feature the words "Van Dolder's" as an integral part of the Mark, sometimes in combination with other elements such as the words "kitchen and bath" or "custom exteriors" below in a banner design.

In paragraph 16, Ms. Iveson states that she was also instructed to access and print the front page of the Applicant's website dating back to 2001. A print-out of the front page is attached as Exhibit "G". Another version of the Mark is displayed. In particular, the Mark is enclosed in an oval design and the words "Van Dolder's" appear as an integral part of the Mark.

The information contained within paragraphs 13 to 16 and Exhibits "F" and "G" is historical in nature and is dated prior to the material date. I am therefore prepared to consider this evidence.

During the hearing, the Opponent argued that the versions of the Mark shown in the Iveson affidavit differ substantially from the version of the Mark which has been applied for and therefore cannot be considered to be permissible variations. I have

reproduced some examples of how the Mark appears on the Applicant's website below: [Design omitted]

I agree with the Opponent that the versions of the Mark as used on the Applicant's website do not constitute use of the Mark. The use of a trade-mark in combination with additional words or features can constitute use of a mark if the public as a matter of first impression would perceive the trade-mark as being used. This is a question of fact which is dependent on whether the trade-mark stands out from the additional material and whether the trade-mark remains recognizable [see *Nightingale Interloc Ltd v Prodesign Ltd* (1984), 2 CPR (3d) 535 at 538 and *Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)].

In the present case, I am of the view that the trade-mark does not stand out from the additional matter in such a way that it remains recognizable. The words "Van Dolder's" form a relatively distinctive and integral part of Mark, which in my view changes the identity of the Mark.

I am aware of the fact that Internet searches are generally considered to be hearsay and cannot be relied upon for the truth of their contents. However, evidence of this nature has been accepted in situations where the affiant him or herself conducts the searches, where it is difficult for the opponent to find any other evidence to meet its burden, and where the applicant has the opportunity to reply to the evidence, as is the case in the present proceedings [see *Effigi Inc v HEI Branded Apparel Limited, Inc* 2010 1MOB 160]. Moreover, I note that evidence produced by the Wayback Machine indicating the state of web sites in the past has been found to be generally reliable [see *Candrug Health Solutions Inc v Thorkelson* (2007), 60 CPR (4th) 35 (FC); reversed on other grounds 64 CPR (4th) 431 (FCA)].

Although the absence of any use of the Mark on the Applicant's website at the relevant date does not support a categorical conclusion that the Mark was not in use, in my view, it is sufficient to cast doubt on the Applicant's statement in its application that it had used the Mark in association with its services since the claimed date. I therefore find that the Opponent has met the light initial burden upon it in respect of the issue of non-conformance with section 30 (b) of the Act

I note that at the hearing, the Opponent submitted that even if the versions of the Mark as shown in the Iveson affidavit were acceptable and considered to constitute use of the Mark, the evidence also suggests that the Mark was in use by an entity other

than the Applicant and that use of the Mark commenced prior to the claimed date of first use in the application. The Opponent takes that position that this is problematic in view of the fact that the Applicant's predecessor only came into existence on the claimed date of first use and no predecessors-in-title have been named in the application. In view of my finding with respect to the Opponent's initial burden, I do not consider it necessary to consider these other issues.

Since I have found that the Opponent has met its initial burden the onus shifts to the Applicant to demonstrate on a balance of probabilities that it has complied with the requirements of section 30(b) of the Act. The Applicant has not filed any evidence which can positively establish its claimed date of first use. I must therefore conclude that the onus on the part of the Applicant has not been met.

Accordingly, the section 30(b) ground of opposition is successful.

[8] It is common ground that the question on the present appeal is whether the Registrar's findings are reasonable. The test is that stated in *Dunsmuir v New Brunswick* [2008] 1 S.C.R. 190, paragraph 47 as follows:

Reasonableness is a deferential standard animated by the principle that underlies the development of the two previous standards of reasonableness: certain questions that come before administrative tribunals do not lend themselves to one specific, particular result. Instead, they may give rise to a number of possible, reasonable conclusions.

Tribunals have a margin of appreciation within the range of acceptable and rational solutions. A court conducting a review for reasonableness inquires into the qualities that make a decision reasonable, referring both to the process of articulating the reasons and to outcomes.

In judicial review, reasonableness is concerned mostly with the existence of justification, transparency and intelligibility within the decision-making process. But it is also concerned with whether the decision falls within a range of possible, acceptable outcomes which are defensible in respect of the facts and law.

In the present appeal, Counsel for the Applicant makes the same arguments rejected by the Registrar with respect to the propriety of the internet search, who performed it, and whether the contents of the search relate to a contentious issue in the proceedings. Counsel for the Applicant also argues that, on the issue of whether prior use of the Mark in combination with the words "Van Dolder's" constitutes use of the Mark for the purpose of the application, the Registrar was required to base her analysis on evidence.

[9] I find no error in principle in the Registrar's decision. In my opinion, the findings made are reasonable: they are very intelligible, transparent, and supported by fact and law. I agree with Counsel for the Respondent that, as a member of an expert tribunal, the Registrar was entitled to apply her own expertise in concluding on the issue of use. In my opinion, this assessment was reasonably performed.

[10] As a result, I dismiss the present appeal.

**ORDER**

**THIS COURT ORDERS that:**

1. For the reasons provided, the present appeal is dismissed.
2. The issue of costs to be awarded is reserved and will be decided on the basis of further argument to be supplied by Counsel.

"Douglas R. Campbell"

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Judge



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

**DOCKET:** T-343-14

**STYLE OF CAUSE:** 1104559 ONTARIO LTD. v HOME HARDWARE STORES LIMITED

**PLACE OF HEARING:** TORONTO, ONTARIO

**DATE OF HEARING:** APRIL 27, 2015

**ORDER AND REASONS:** CAMPBELL J.

**DATED:** APRIL 30, 2015

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