

Federal Court



Cour fédérale

Date: 20210223

Docket: 21-T-2

Citation: 2021 FC 176

Ottawa, Ontario, February 23, 2021

PRESENT: The Honourable Mr. Justice Southcott

BETWEEN:

ROLEX SA

Applicant

and

PWT A/S

Respondent

ORDER AND REASONS

I. Overview

[1] The Applicant, Rolex SA, has brought a motion dated February 1, 2021, filed in writing under Rule 369(1) of the *Federal Courts Rules*, SOR/98-106, seeking an order: (a) granting an extension of time to May 1, 2021 to serve and file the Applicant's Notice of Application, (b) extending all other deadlines accordingly, and (c) granting no costs of the motion. The Applicant seeks this extension to be able to serve and file an application to appeal, under s 56 of the

Trademarks Act, RSC 1985, c T-13 [the Act], a decision of the Registrar of Trademarks [the Registrar] dispatched on December 1, 2020 [the Decision].

[2] The Respondent, PWT A/S, which was the other party to the proceeding before the Registrar resulting in the Decision, opposes the motion, arguing that the Applicant has not met the test applicable to a request for an extension of time.

[3] As explained in more detail below, this motion is dismissed, as I agree with the Respondent's position that the Applicant has not met the applicable test.

II. **Background**

[4] The Respondent applied to register a trademark, referred to in the Decision as the Crown Design, in association with a list of goods and services. The Applicant opposed this application on several bases including alleging likelihood of confusion with its own registered design mark, referred to in the Decision as the Rolex CROWN DESIGN. The Registrar dismissed most of the grounds of opposition.

[5] With respect to the confusion allegation, the Registrar conducted a confusion analysis employing the non-exhaustive list of factors prescribed by s 6(5) of the Act. The Registrar found that the Applicant had not satisfied its legal burden to show that there is no likelihood of confusion between the parties' marks in respect of a list of goods and services that the Registrar considered to overlap with goods and services in the Respondent's registration. However, the Registrar also identified a list of goods and services in the application that did not overlap with

those in the Respondent's registration. The Decision therefore concludes that the Applicant's application for registration of its mark may proceed in association with that latter list of goods and services.

[6] The Decision is dated November 30, 2020. The Applicant explains that the Decision was "dispatched" on December 1, 2021. This is a reference to the language of s 56(1) of the Act, which provides a right of appeal to the Federal Court within two months from the date on which notice of a decision is dispatched by the Registrar, or within such further time as the Court may allow.

[7] Therefore, the deadline for the Applicant to file an appeal of the Decision was February 1, 2021. On that date, the Applicant filed the within motion in writing under Rule 369, seeking an extension of time to May 1, 2021 to file its appeal. The Applicant's motion record includes an affidavit of a law clerk in the office of the Applicant's counsel and written submissions. The Respondent filed written submissions opposing the motion, and the Applicant filed a reply. My decision is based on those materials.

III. Issue

[8] The sole issue raised by this motion is whether the Applicant has met the test to be granted the requested order for an extension of time to commence its appeal.

IV. **Analysis**

A. *The Test for an Extension of Time*

[9] The parties both rely on the decision of the Federal Court of Appeal in *Canada (Attorney General) v Hennelly* (1999), 244 NR 399 [*Hennelly*] at para 3, which states that the proper test when considering a request for an extension of time is whether the applicant has demonstrated: (a) a continuing intention to pursue its application; (b) that the application has some merit; (c) that no prejudice to the respondent arises from the delay; and (d) that a reasonable explanation for the delay exists.

[10] As explained by Justice Zinn in *Dun-Rite Plastics & Custom Fabrication Inc. v Canada (Attorney General)*, 2018 FC 892 [*Dun-Rite*] at para 6, the four criteria identified in *Hennelly* are intended to guide the Court in determining whether the granting of an extension of time is in the interests of justice, and these four criteria need not all favour the applicant for the extension to be granted.

[11] The Respondent also refers the Court to *Viridi v Canada (Minister of National Revenue)*, 2006 FCA 38 [*Viridi*] at para 2, in which the Federal Court of Appeal explained that the party seeking an extension bears the burden of establishing the criteria prescribed by the test and that, generally speaking, this must be done by affidavit evidence sworn by the moving party itself that can be subject to cross-examination. In *Viridi*, the appellant's reliance on an affidavit sworn by his lawyer's secretary, to demonstrate a reasonable explanation for the delay, a continuing

intention to seek judicial review, and an arguable case, was fatal to his motion for an extension (at para 3).

[12] The Respondent relies on *Virdi* to argue that, in relying solely on the affidavit of its counsel's law clerk as evidence in support of its motion, the Applicant has similarly failed to satisfy its burden in the case at hand. I do not consider *Virdi* to stand for the proposition that relying on affidavit evidence other than that of the party itself is necessarily fatal to a motion for an extension. Rather, the effect of such reliance may depend on the particular criteria of the test that are at issue in a particular matter (see, e.g., *Dun-Rite* at para 10). I will consider the sufficiency of the law clerk's evidence when considering the application of the individual criteria below.

B. Continuing Intention to Pursue the Appeal

[13] The law clerk's affidavit is relatively brief. She deposes that, based on her role as a clerk at the Applicant's counsel's firm, she has knowledge of the matters deposed, except where stated to be based on information and belief. I would summarize her evidence as follows:

A. The Applicant seeks an extension of time to May 1, 2021 to appeal the
Decision;

B. The Decision was delivered to the Applicant's counsel in Canada on
December 21, 2020;

- C. The Applicant did not become aware of the Decision until mid-January 2021, due to closure of its office during the holiday season from December 18, 2020 to January 8, 2021;
- D. Both the Applicant and its solicitors are located in Genève, Switzerland;
- E. The Applicant requires additional time to facilitate meaningful discussions and coordinate with its Canadian counsel with respect to the appeal;
- F. Accordingly, the Applicant is now seeking an order to extend the time period within which to serve and file the Notice of Application to May 1, 2021.

[14] The Respondent argues that this evidence does not establish an intention to file an appeal. The deponent does not state that her firm has been instructed to do so. In the Respondent's submission, the evidence establishes only an intention to consider filing an appeal and that the Applicant wishes to keep its options open in this regard. The Applicant responds in its reply submission that the fact it is considering the Decision and its grounds of appeal in greater detail demonstrates the required continuing intention to appeal the Decision.

[15] I agree with the Respondent that the evidence offered by the Applicant on this point is weak. However, while not directly stated, I infer from the evidence that the Applicant does intend to pursue an appeal of the Decision. This criterion favours the Applicant.

C. Merit of the Appeal

[16] The Respondent submits that the Applicant has not provided direct evidence as to the perceived merit of its appeal. Moreover, while the Applicant's written submissions state that there are good grounds of appeal, the Applicant does not set out those grounds or explain why it considers them meritorious based on the record or the Decision.

[17] I agree with the Respondent's characterization of the Applicant's motion materials. There is no evidence speaking to the merit of the appeal. The Applicant's submissions merely state that the Respondent applied to register its mark covering goods and services overlapping with those of the Applicant and that the Decision maintained the Respondent's application for certain goods and services that remain a concern to the Applicant. These submissions state the Applicant's dissatisfaction with the Decision but do not explain a basis on which the Applicant would argue the Registrar has erred, in concluding that the relevant goods and services do not overlap or otherwise.

[18] The Applicant takes the position that it is not required to have identified detailed grounds of appeal in order to seek an extension of time. Rather, it seeks the extension to afford it time to consult its counsel and develop legal strategies and bases for appeal. The Applicant submits that its onus on this motion is to provide the Court with a general outline of its potential grounds of appeal on a prospective basis.

[19] This situation is akin to that addressed by Justice Zinn in *Dun-Rite*, where the applicant provided no direct evidence as to the merit of the proposed application (at para 8) and the Court was therefore unable to ascertain whether there was any merit (at para 10). I agree with the Respondent that the Applicant's evidence and submissions fail to meet this criterion of the test.

D. Prejudice to the Respondent arising from the Delay

[20] The Applicant submits that the Respondent would suffer no prejudice from the three month delay that would result from the extension sought in this motion. The Respondent argues that it would be prejudiced by losing the *prima facie* certainty surrounding its presently successful trademark application if the Applicant is granted the extension to appeal.

[21] In my view, the sort of prejudice asserted by the Respondent carries little weight. Prejudice of this sort is automatically present in any case where an applicant seeks an extension to pursue a proceeding that it is otherwise too late to commence. This criterion of the test favours the Applicant.

E. Reasonable Explanation for the Delay

[22] As an explanation for the delay, the Applicant's submissions refer to the closure of its office from December 18, 2020 to January 8, 2021 and the time subsequently required to coordinate with Canadian counsel, taking into account the significant time difference and the effects of the COVID-19 pandemic.

[23] The Respondent argues that the Applicant has not established a reasonable explanation for the delay. The Respondent again focuses on the lack of evidence from an officer of the Applicant, deposing to the effects of its office closure and what steps, if any, were taken to consider the Decision between January 8, 2021 and the appeal deadline of February 1, 2021.

[24] I accept that the law clerk may have sufficient personal knowledge, through her firm's client relationship, to depose to the duration of its office closure. However, as the Respondent submits, there is no evidence of any steps taken between January 8, 2021 and February 1, 2021. Nor is there any explanation of why the appeal could not be commenced within this period, other than the very general assertion that additional time is required to facilitate meaningful discussions and coordinate with Canadian counsel. I find that the Applicant has not satisfied this criterion.

F. *Conclusion*

[25] Again, I find the analysis of the Applicant's motion to bear resemblance to that in *Dun-Rite* (at para 13). As the Applicant has failed to meet two of the four criteria, it has not satisfied me that the interests of justice favour granting an extension of time. This motion will therefore be dismissed.

V. **Costs**

[26] The Respondent seeks an order for costs of this motion in the amount of \$500.00. While the Applicant sought no costs in its Notice of Motion, it revised this position in its reply submissions and also sought costs of \$500.00.

[27] As the Respondent has prevailed in opposing this motion, it should have its costs, and I am satisfied that the \$500.00 figure, proposed by each of the parties in the event of its success, is an appropriate amount. my Order will so provide.

ORDER IN 21-T-2

THIS COURT ORDERS THAT:

1. The Applicant's motion is dismissed.
2. The Respondent is awarded costs of this motion in the amount of \$500.00.

“Richard F. Southcott”

Judge

FEDERAL COURT

SOLICITORS OF RECORD

DOCKET: 21-T-2

STYLE OF CAUSE: Rolex SA v PWT / AS

**MOTION IN WRITING UNDER RULE 369 OF THE *FEDERAL COURTS RULES*
AT OTTAWA, ONTARIO**

ORDER AND REASONS: SOUTHCOTT J.

DATED: FEBRUARY 23, 2021

SOLICITORS OF RECORD:

Marks & Clerk Law LLP
Toronto, Ontario

FOR THE APPLICANT

Norton Fullbright Rose LLP
Vancouver, British Columbia

FOR THE RESPONDENT