

Federal Court of Appeal overturns case law on special circumstances excusing non-use in summary cancellation proceedings

ALSO INSIDE

Quebec Court of Appeal rules that “skeletal” outline of TV show concept does not obtain copyright protection

CIRA limits information available with the .ca WHOIS search tool

On April 4, 2008, the Federal Court of Appeal (FCA) released its decision in *Scott Paper Ltd. v. Canada (Attorney General)*. The decision clarifies the law in summary cancellation proceedings initiated under section 45 of the *Trade-marks Act*, and is of special interest because the FCA took the unusual step of overruling a decision of another panel of the FCA.

The appeal arose from summary cancellation proceedings initiated by Smart & Biggar. Summary cancellation proceedings enable the Registrar of Trade-marks to issue a notice requesting that the registered owner of a trade-mark furnish the Registrar with evidence (by way of affidavit or statutory declaration) showing use of the trade-mark in Canada at any time during the three-year period immediately preceding the date of the notice. If the trade-mark is not in use (and if there are no special circumstances justifying non-use), the trade-mark will be expunged.

The Registrar forwarded notice under s. 45 of the *Trade-marks Act* to Scott Paper, requiring it to provide evidence of use of the registered trade-mark VANITY in Canada within the preceding three years.

The evidence filed by Scott Paper did not show use within the last three years. In fact, it established that there had been no use in the last thirteen years, but did not provide any reason for the absence of use during this time. Instead, Scott Paper relied on evidence that it had planned to recommence using the mark before it had received the notice from the Registrar, and that since the date of such notice, use had in fact begun.

Despite finding that: (i) there had been deliberate non-use for thirteen years and (ii) no reasons for the non-use were provided, the Registrar did not order the expungement of the registration. The Senior Hearing Officer decided to maintain the registration for the trade-mark VANITY, despite the fact that there was no evidence of use of the mark in thirteen years, because Scott had shown that it had resumed use of the mark. The Senior Hearing Officer held that this intention to resume use qualified as special circumstances excusing non-use.

Smart & Biggar appealed to the Federal Court, which reversed the decision of the Senior Hearing Officer, and ordered the trade-mark expunged. Scott Paper then appealed to the FCA. The FCA upheld the decision of the Federal Court, holding that deliberate non-use of a trade-mark cannot be justified by reason of a registrant’s intention to use it in the near future.

**“Canadian Law Firm
of the Year”**

IFLR 2007
CHAMBERS GLOBAL 2006

This newsletter was prepared by members of the Intellectual Property Group at Stikeman Elliott.

EDITOR: JUSTINE WHITEHEAD
jwhitehead@stikeman.com

In upholding the Federal Court decision, the FCA clarified the law on special circumstances that may excuse non-use of a registered trade-mark under s. 45(3) of the *Trade-marks Act*. The FCA noted that jurisprudence had evolved in the direction of treating plans for resumption of use as a special circumstance excusing non-use. However, the Court went back to the seminal case on this issue, carefully reviewed the reasoning, and extracted four core principles: (1) the general rule is that absence of use is penalized by expungement; (2) there is an exception to the general rule where the absence of use is due to special circumstances; (3) special circumstances are circumstances not found in most cases of absence of use of the mark; and (4) the special circumstances which excuse the absence of use of the mark must be the circumstances to which the absence of use is due.

According to the FCA, the fourth factor was dispositive of the appeal. As special circumstances may only excuse non-use where they refer to the actual reason for non-use, it follows that the intention to resume use cannot constitute special circumstances, as it is irrelevant to the reasons for the prior non-use.

The FCA noted that the Senior Hearing Officer had relied on jurisprudence that held that an intention to resume use could qualify as special circumstances excusing non-use. However, the FCA expressly overturned such jurisprudence, arguing that it was irreconcilable with both the words of the *Trade-marks Act* and the seminal case of *Harris Knitting Mills*.

The FCA also agreed with the summary of the trial judge who posed the following question while allowing the appeal from the Registrar's decision: "Would one excuse a truant schoolboy for an absence of a month because, when confronted, he demonstrated that although he had no explanation for his past absences he genuinely intended to go to school the next week?"

Both the Federal Court and the FCA clearly felt that the answer to such a query was "no."

Quebec Court of Appeal rules that "skeletal" outline of TV show concept does not obtain copyright protection

In *Cummings v. Canwest Global Broadcasting Inc.*, the Quebec Court of Appeal upheld the decision of the Quebec Superior Court to summarily dismiss a claim that was based on an assertion that Canwest Global had misappropriated the concept for its television program *Popstars* from a guideline for a show developed in the early 1990s by the plaintiff, Mr. Cummings, entitled *Dreams Come True*.

Canwest Global brought a motion for the plaintiff's case to be dismissed under article 75.1 of the *Quebec Code of Civil Procedure*, on the grounds that it was frivolous or clearly unfounded. The Superior Court emphasized that such a summary dismissal should only be obtained in extraordinary circumstances, but went on to note that "cases of alleged copyright violation, where the question turns essentially on the comparison of two works, are particularly well-suited to this procedure."

In 1992, Mr. Cummings had developed a concept for a television program entitled *Dreams Come True*, which he set out in a document he called the Guideline. Cummings sought to obtain support for his project by sending a copy of the Guideline to Canwest Global. The Guideline included a brief description of the nature of the project (a television program that presents and promotes new Canadian talent to the public), an overall goal and more specific objectives for the show (establishing opportunities for amateur musicians to improve their skills and obtain exposure), and specified that participation in the program would not be limited by age, language or ethnicity. In addition, the Guideline listed ideas regarding arrangements and publicity for participants, preparations for producing the show, legalities to be addressed, and a procedural outline for auditioning artists.

After examining the Guideline, and determining that Cummings had not provided any additional details regarding the concept to Canwest Global, the Superior Court decided that such a "barebones outline of a concept" does not contain sufficient originality to obtain copyright protection. The Guideline was "so minimalist and broad-brush, and so similar to the classic Sunday-morning-amateur-hour format of years gone by, that the Court cannot find that any particular skill or judgment was at work there."

In affirming the decision of the first-instance judge, the Quebec Court of Appeal reiterated the basic tenet of copyright law: that an idea is not protected except to the extent that it is incarnated in a work. The Court of Appeal characterized the Guideline as constituting the mere “skeleton” of an idea, with no inherent value of its own. Someone wishing to obtain the benefit of the idea would have to apply their own skill and judgment to flesh it out, and it is this “flesh” that would have value, from a copyright perspective.

Although normally the court’s analysis would end with its determination that the Guideline could not obtain the benefit of copyright protection, in this case the plaintiff’s claim was not limited to copyright infringement, and so the court considered whether Canwest Global could be at fault more generally for using the ideas in the Guideline. To this end, the court compared the *Dreams Come True* concept with Canwest Global’s *Popstars* program, and found that the concepts were fundamentally different from each other. While *Dreams Come True* was solely a talent show, *Popstars* was more accurately characterized as a “docu-soap” reality show, which used a talent show as a backdrop. The Court of Appeal found that the lower court had rightly concluded that the action was devoid of any chance of success, and upheld the summary dismissal of the case.

CIRA limits information available with the .ca WHOIS search tool

The Canadian Internet Registration Authority (CIRA) is implementing changes to the dot-ca WHOIS search tool, effective June 10, 2008.

The WHOIS search tool is used to find contact information for domain-name owners. Currently, these searches provide information such as name, address, phone and fax numbers, and email address of the registrant. Recently, concerns over privacy have caused CIRA to re-evaluate the type of information that should be publicly available in the .ca WHOIS database.

CIRA has decided that it will block the display of personal information of private individuals who are domain-name holders (unless the individual consents to having it disclosed), while continuing to allow access to information pertaining to corporations, organizations, and institutions. Certain corporate information may be protected in special circumstances.

The WHOIS search was an invaluable tool to facilitate the identification of domain-name holders that may have been considered to be “cybersquatters.” The new WHOIS Policy may make it more difficult for an individual or organization to prove that a domain was registered by another party in bad faith. In recognition of this problem, CIRA proposed a workaround, which it hopes will maintain maximum privacy protection while ensuring the effectiveness of the CIRA dispute resolution policy: an electronic process for passing correspondence from interested parties to registrants.

So, as of June 10, 2008, if you are interested in contacting a .ca domain-name holder, but can no longer access contact information through the WHOIS search, you can use CIRA’s message delivery form to try to make contact with the registrant. It will be interesting to see how well the process works.

For further information about any article in this newsletter, please contact your Stikeman Elliott representative, the editor, Justine Whitehead (jwhitehead@stikeman.com), or any member of our Intellectual Property Group listed on the following page.

RECENT GROUP DEVELOPMENTS

Justine Whitehead published an article on Canada’s *Olympic and Paralympic Marks Act* in the “Focus on Intellectual Property” section of the May 2, 2008 edition of *The Lawyer’s Weekly*. **Justine Whitehead**, **Stuart McCormack** and **Marisia Campbell** attended the Annual Meeting of the International Trademark Association (INTA), which was held in Berlin, Germany, from May 17 to 21, 2008. Justine serves on the INTA Bulletin Committee, and Stuart serves on the Anti-Counterfeiting Committee of INTA.

**Stikeman Elliott's
Intellectual Property Group:**

OTTAWA

Stuart C. McCormack
smccormack@stikeman.com
Kim D.G. Alexander-Cook
kalexandercook@stikeman.com
Nicole Brousseau
nbrousseau@stikeman.com
D. Jeffrey Brown
jebrown@stikeman.com
L. Marisia Campbell
mcampbell@stikeman.com
Craig Collins-Williams
ccollinswilliams@stikeman.com
Eugene F. Derényi
ederenyi@stikeman.com
Randall Hofley
rhofley@stikeman.com
Nicholas McHaffie
nmchaffie@stikeman.com
Ryan Sheahan
rsheahan@stikeman.com
Vivien Tzau
vtzau@stikeman.com
Justine M. Whitehead
jwhitehead@stikeman.com

TORONTO

Kathryn I. Chalmers
kchalmers@stikeman.com
Martin Langlois
mlanglois@stikeman.com
Nicholas Whalen
nwhalen@stikeman.com
Alison J. Youngman
ayoungman@stikeman.com

MONTREAL

Bruno Barrette
bbarrette@stikeman.com
Marc-André Coulombe
macoulombe@stikeman.com
Mortimer Freiheit
mfreiheit@stikeman.com
Benoît Huart
bhuart@stikeman.com

CALGARY

Nick J. Kangles
nkangles@stikeman.com

www.stikeman.com

STIKEMAN ELLIOTT

To subscribe or unsubscribe to this publication, please contact us at info@stikeman.com

This publication provides general commentary only and is not intended as legal advice. © Stikeman Elliott LLP