Federal Court



Cour fédérale

Date: 20160217

Docket: T-2570-14

Citation: 2016 FC 212

[ENGLISH TRANSLATION]

Ottawa, Ontario, February 17, 2016

PRESENT: The Honourable Mr. Justice Martineau

BETWEEN:

LA DEHESA, S.A.S.

Applicant

and

LABORATOIRE HOME INSTITUT PARIS, S.A.S.

Respondent

JUDGMENT AND REASONS

[1] Under subsection 57(1) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (Act), the Federal Court has exclusive original jurisdiction, on the application of the Registrar or of any person interested, to order that any entry in the register be struck out or amended on the ground that at the date of the application the entry as it appears on the register does not accurately express or define the existing rights of the person appearing to be the registered owner of the mark.

- [2] This application for an amendment of the register was filed with the Court on December 18, 2014, and relates to the trademark "LES KARITÉS (& DESSIN)," which was registered under the number 617,574 on August 25, 2004 [the Mark]. As provided for under section 58 of the Act, the applicant proceeded by filing a Notice of Application, rather than an action.
- [3] The conclusions sought today by the applicant can be found in the <u>amended</u> Notice of Application dated August 21, 2015. The applicant is essentially seeking a Court order to have the trademark assignments and registration to the respondent amended or struck out from file no.

 1,160,756, such that the applicant's name is now indicated as the current owner of the Mark.
- This final judgment follows a hearing held in Montreal on February 8, 2016. Having considered the written and verbal submissions of the attorneys in light of the admissible evidence and the applicable legal principles, the Court decided to order that the register be amended to strike out the respondent's name as the registered owner of the Mark, as the entries currently listed in file no. 1,160,756 do not express the existing rights of the applicant, who must always be considered the current owner of the Mark.
- [5] First, the Court rejects all objections from the respondent that the applicant is not a "person interested" under the meaning of section 57 of the Act. The Registrar found itself unable to proceed with an amendment to the register. The applicant, whose name is currently listed in the register as a former owner of the Mark, therefore has a vested interest in applying to the

Court to have its name appear in the register as the current owner of the Mark. The applicant's arguments are well-founded in this case.

- Institut Paris s.a.s. (change of title on April 2, 2008) and of the respondent (change of title on June 21, 2011) were never completed, and these entries in the register are false or misleading in this case. Although paragraph 1 of the transfer affidavit on file with the Registrar and signed on September 17, 2014, by Me Michel-J. Lanctôt, officer, on behalf of Home Institut Benelux s.a.s., does not cause any issue—the applicant currently benefits from this gratuitous act made without apparent authorization—the same cannot be said for the false or misleading statements made by Me Lanctôt and Frédéric Grange in paragraphs 2 and 3 of the transfer affidavit, which are harmful to the applicant.
- The affidavit dated February 5, 2015, from Juan Carlos Cuellar is not admissible as evidence because not all of the conditions are met for receiving a foreign affidavit under sections 53 and 54 of the *Federal Courts Act*, R.S.C. 1985, c. F-7 and/or sections 52 and 53 of the *Canada Evidence Act*, R.S.C. 1985 c. C-5. However, that does not change the fact that the transfer affidavit completed on September 17, 2014, and submitted to the Registrar on September 23, 2014, is a highly irregular document, and some of the content is even false and incorrect, while the gratuitous and unsubstantiated statements in paragraphs 2 and 3 of the transfer affidavit are contradicted by Mr. Grange's statements in the affidavit dated May 13, 2015, and the various accompanying pieces of evidence.

- [8] For one, according to the documentary evidence in the Court file, on April 2, 2008, the applicant did not waive her rights in the registration of the Mark to the company Home Institut Paris s.a.s. Upon reading the trademark licence contract entered into on April 2, 2008, by the applicant and Home Institut Paris s.a.s., it is clear that there is no trademark assignment between those two parties. This fundamental flaw in the assignment dated April 2, 2008, that the respondent is citing today, is determining and justifies the Court issuing an order to have the changes of title entered into the register on October 1, 2014, for file no. 1,160,756 struck out as well, except for the trademark assignment entered into on or before April 2, 2008, between Home Institut Benelux, société anonyme de Droit Luxembourgeois, and La Dehesa s.a.s. [the applicant].
- [9] Moreover, no convincing evidence or physical element on file enables the Court to conclude that there was a change in the applicant's title or that a trademark assignment was entered into on or after April 2, 2008, by operation of law—namely on June 21, 2011—as the respondent claims. Therefore, the current owner of the Mark is still the applicant. Foreign law was not given as evidence before this Court. The decisions and rulings made outside of Canada that the respondent cited following the legal redress proceedings (insolvency) involving Home Institut Paris s.a.s. do not constitute a trademark assignment and are not enforceable against the applicant, even though it seems that the trademark licence contract from April 2, 2008, could have been awarded to the respondent.

- [10] To put it clearly, the continuation of the licence contract after June 21, 2011, and whether or not the respondent (the licensee) performed her contractual obligations to the applicant (the licensor) for the duration of the contract have no legal effect in Canada on the licensor's ownership of the Mark. It is not within this Court's jurisdiction to rule, in the context of an application to amend the register, on the lawfulness of the termination—on March 15, 2012, or a subsequent date—of the trademark licence contract dated April 2, 2008, which is governed by the laws of France.
- [11] Given the results, the applicant is entitled to her costs, including the costs that could have been awarded to the applicant prior to the date of this ruling and that can also be taxed alongside the taxable costs and disbursements awarded today by the Court.
- [12] In both her Notice of Application dated December 18, 2014, and the <u>amended</u> Notice of Application dated August 21, 2015, the applicant has asked the Court to award her costs on solicitor-client basis. However, after having considered the entire file and the parties' submissions, the Court refuses to grant that request. Given the summary nature of these proceedings and the fact that no witnesses were heard before the Court, and considering that there is still a dispute between the parties regarding the unilateral termination of the licence contract and its legal effects, I find that it is not appropriate to express any ruling today on the conduct of the parties prior to the institution of these proceedings. Furthermore, some of the allegations of prior misconduct by both parties appear to be under the jurisdiction of other authorities. This is particularly the case for the applicant's criticisms of the respondent's attorney regarding the transfer affidavit submitted to the Registrar in September 2014. Lastly, I am not

convinced that the respondent's conduct in this case since December 18, 2014, is reprehensible, scandalous or outrageous.

JUDGMENT

THE COURT GRANTS the applicant's request under subsection 57(1) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 **AND ORDERS** that the following entries be amended or struck out from the Register of Trademarks for file no. 1,160,756 for the trademark "LES KARITÉS (& DESSIN)" [the Mark] as follows:

- Strike out the name of Laboratoires Home Institut Paris s.a.s. as the current owner of the Mark;
- b) Strike out the change of title and the transfer (April 2, 2008) between La Dehesa s.a.s. and Home Institut Paris s.a.s.;
- c) Strike out the change of title and the transfer (June 21, 2011) between Home Institut Paris s.a.s. and Laboratoires Home Institut Paris s.a.s.;
- d) Strike out the name of La Dehesa s.a.s. as the former owner of the Mark; and
- e) Add the name of La Dehesa s.a.s. as the current owner of the Mark.

THE WHOLE WITH COSTS in favour of the applicant, the applicant's request to be awarded costs on solicitor-client basis having been denied by the Court. The costs that could have been awarded to the applicant prior to the date of this ruling can also be taxed alongside the taxable costs and disbursements awarded today by the Court.

"Luc Martineau"
Judge

FEDERAL COURT

SOLICITORS OF RECORD

DOCKET: T-2570-14

STYLE OF CAUSE: LA DEHESA, S.A.S. v. LABORATOIRE HOME

INSTITUT PARIS, S.A.S.

PLACE OF HEARING: MONTRÉAL, QUEBEC

DATE OF HEARING: FEBRUARY 8, 2016

JUDGMENT AND REASONS

FOR JUDGMENT:

MARTINEAU J.

DATE OF REASONS: FEBRUARY 17, 2016

APPEARANCES:

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