Intellectual Property Weekly Abstracts Bulletin — Week of December 19

December 21, 2016

Patent Decisions

Prohibition dismissed on the basis of non-infringement
Meda AB v. Canada (Health), 2016 FC 1362

The Court dismissed a prohibition application, which would have prevented Pharmascience from coming to market with its PMS-Zolpidem until the '988 Patent expired. The Court held that Pharmascience's allegation of non-infringement was justified. Given this finding, the Court did not need to consider the alleged Gillette defence.

Concerning the patent's validity, the Court found that only Pharmascience's allegation of overbreadth in relation to claim 1 was justified. The Court found that Pharmascience's other allegations of invalidity, including anticipation, obviousness and inutility, were not justified.

The Court dismissed the Applicants' request for an order striking two of Pharmascience's expert affidavits, on the basis that counsel obstructed the cross-examinations of these affiants to the extent that the conduct was abusive and frustrated the process such that their evidence should be rejected. While the interruptions and objections by counsel for Pharmascience were not always necessary or useful, the Court concluded that they were not abusive.

The Court also dismissed the Applicants' challenge that Pharmascience's evidence listed in Schedule "A" was improper on the basis that the evidence exceeds the facts alleged in the NOA.

Trademark & Copyright Decisions

Child playground structures were not found to have a distinguishing guise and copyright did not apply after the 51st worldwide sale
Corocord Raumnetz GMBH v. Dynamo Industries Inc., 2016 FC 1369

The Federal Court has dismissed a series of trademark and copyright claims relating to child playground structures.

The plaintiff Corocord makes and sells playground equipment, and alleged that Dynamo "imitated, copied and reverse engineered" their designs, then sold them in direct competition to Corocord.

Corocord alleged they had rights in the distinguishing guise of the design, that Dynamo made false and misleading statements and that they also directed attention to its wares in such a way that it would cause confusion between the playground structures. Corocord also alleged their copyright had been infringed. Corocord did not have any rights under the Industrial Designs Act.

The Court found that Corocord did not provide any evidence that the relevant market had begun to recognize the share of their play structures as coming from a single source. The evidence also did not show the shape or aesthetics elements were used to market the play structures. Even Corocord's own expert witness had never seen the structures before they were shown to him by the plaintiffs in 2016, in connection with these proceedings. Thus, the Court held there was no protectable trademark in the form of a distinguishing guise.

Without a valid trademark and no evidence of goodwill, the claims under sections 7(a) and (b) of the Trade-marks Act could not be sustained.

Dynamo conceded that there was copyright in the design of the Corocord playground structures and admitted their playgrounds were engineered to be equivalents of Corocord's playground structures. However, Dynamo relied on subsection 64(2) of the Copyright Act, arguing that Dynamo only sold its product after the 51 st worldwide reproduction of Corocord's playground structures.

The Court held that the structures were "useful articles", and not mere works of art. They were subject to technical safety aspects such as arm reach and rope sizes that were not guided by aesthetic purposes, but by security concerns and safety standards precisely because the initial purpose of the structures was not merely to serve as art work, but as playgrounds for children.

Since fewer than 50 playgrounds were sold in Canada, a question arose as to whether the playground structures needed to be reproduced 50 times in Canada or just 50 times worldwide, for subsection 64(2) of the Copyright Act to apply. The Court interpreted the statute to apply after the playgrounds were "reproduced in a quantity of more than fifty in Canada and elsewhere". Since it was admitted that there were more than 50 productions worldwide the defence was held to be valid.

Respondent held personally liable for website's trademark and copyright infringement
Thoi Bao Inc. v. 1913075 Ontario Limited (Vo Media), 2016 FC 1339

The Court allowed Thoi Bao's application and awarded an injunction and damages against the Respondent, Mr. Vo. The claims against the other Respondents, including the corporate Respondent, were resolved prior to the hearing.

Thoi Bao is a Vietnamese language news company offering news services across

Canada through a number of platforms including newspapers, television shows, radio, and online. Thoi Bao claimed that it rights under the Copyright Act and the Trade-marks Act were infringed by Mr. Vo, who operated an infringing website. The domain name of the infringing website, www.thoibaotv.com, was registered by Mr. Vo or Ms. Tran (another Respondent), or both, without the consent or knowledge of Thoi Bao.

The Court held that Mr. Vo, a previous employee of Thoi Bao, was personally responsible for the infringing activity, namely the operation of the website www.thoibaotv.com. The Court concluded that the activity infringed Thoi Bao's rights, contrary to section 7(b), 20 and 22 of the Trade-marks Act and section 27 of the Copyright Act. The Court awarded an injunction and $25,000 in damages for the trade-mark and copyright infringement, but declined to award punitive damages.

Decision to expunge trademark pursuant to section 45 quashed by Court
Bauer Hockey Corp. v. Easton Hockey Canada, Inc., 2016 FC 1373

This is an application for judicial review of a decision of the Trademarks Opposition Board (Board) in which the Board expunged Bauer's Trademark (Bauer's Skate's Eyestay Design, registered for use with ice skates). The Board decision related to an expungement proceeding pursuant to section 45 of the Trade-marks Act. Easton did not file written submissions nor appear at the hearing.

The Court noted that the Board first considered whether the Trademark as used was the Trademark as registered, and accepted Easton's evidence that it had not used as registered because the Trademark as used included the word "BAUER". As a result, the Board found that the Trademark should be expunged. Although not necessary, the Board also determined that the Trademark was used in the registered owner's normal course of trade but that the use had not enured to the registered owner during the Relevant Period.

The Court began its decision by finding that the new evidence would have materially affected the Board's findings and thus, the decision should be reviewed on a standard of correctness. Bauer made a number of arguments why the Trademark as used is similar to the Trademark as registered, which were accepted by the Court. This finding was made on the basis of two additional affidavits, including a survey on the perception of the Trademark by consumers. The Court thus concluded that the Board's decision does not meet the standard of correctness.

With respect to the issue of whether the use of the Trademark enured to the benefit of the registered owner, the Court again had additional evidence relating to licensing agreements between the parties. The Court found that "when a licensing agreement contains a control provision, it is presumed that the registered owner of the trademark exerted direct or indirect control over the character and quality of the products". In this case, the licensing agreement contained a control provision. The Court quashed the Board's decision, without costs.

Supreme Court Updates

Janssen Inc., et al. v. Hospira Healthcare Corporation, et al. (Docket No. #37342)

Janssen has filed an Application for leave to appeal from the decision in 2016 FCA 248 (our summary here).

Industry Updates

Health Canada has published a Notice: Release of Draft (Step 2) International Council for Harmonisation (ICH) Guidance: Q11 Questions and Answers: Selection and Justification of Starting Materials for the Manufacture of Drug Substances. The website indicates that comments on the draft guidance document should be submitted by March 15, 2017.

Health Canada has published an Updated Guidance Document: Preparation of Regulatory Activities in the "Non-eCTD Electronic-Only" Format .

By

Chantal Saunders, Helga Morales, Adrian J. Howard, Jillian Brenner

Expertise

Intellectual Property, Copyright, Licensing, Patents, Trademarks

---

BLG | Canada's Law Firm

As the largest, truly full-service Canadian law firm, Borden Ladner Gervais LLP (BLG) delivers practical legal advice for domestic and international clients across more practices and industries than any Canadian firm. With over 800 lawyers, intellectual property agents and other professionals, BLG serves the legal needs of businesses and institutions across Canada and beyond – from M&A and capital markets, to disputes, financing, and trademark & patent registration.

blg.com

BLG Offices

Calgary
Centennial Place, East Tower
520 3rd Avenue S.W.
Calgary, AB, Canada
T2P 0R3
T 403.232.9500
F 403.266.1395

Ottawa
World Exchange Plaza
100 Queen Street
Ottawa, ON, Canada
K1P 1J9
T 613.237.5160
F 613.230.8842

Vancouver
1200 Waterfront Centre
200 Burrard Street
Vancouver, BC, Canada
V7X 1T2
T 604.687.5744
F 604.687.1415

Montréal
1000 De La Gauchetière Street West
Suite 900
Montréal, QC, Canada
H3B 5H4
T 514.954.2555
F 514.879.9015

Toronto
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada
M5H 4E3
T 416.367.6000
F 416.367.6749

The information contained herein is of a general nature and is not intended to constitute legal advice, a complete statement of the law, or an opinion on any subject. No one should act upon it or refrain from acting without a thorough examination of the law after the facts of a specific situation are considered. You are urged to consult your legal adviser in cases of specific questions or concerns. BLG does not warrant or guarantee the accuracy, currency or completeness of this publication. No part of this publication may be reproduced without prior written permission of Borden Ladner Gervais LLP. If this publication was sent to you by BLG and you do not wish to receive further publications from BLG, you may ask to remove your contact information from our mailing lists by emailing unsubscribe@blg.com or manage your subscription preferences at blg.com/MyPreferences. If you feel you have received this message in error please contact communications@blg.com. BLG's privacy policy for publications may be found at blg.com/en/privacy.

© 2026 Borden Ladner Gervais LLP. Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.