

TM interlocutory injunctions too hard to get?

IP column published in *The Lawyers Weekly*

May 19, 2000

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At conferences about intellectual property, there's always a lot of grumbling about how hard it is these days to get an interlocutory injunction in trade-mark cases. "Intellectual Property Law, The Year in Review," was no exception. The conference is arranged every year by the Law Society of Upper Canada, and held in Ottawa on Wednesday on April 12 and in Toronto on April 18.

Interlocutory injunctions are now tough to get because of a trio of Federal Court of Appeal cases in the early nineties, *Syntex v. Novopharm*, *Nature Company* and *Centre Ice*.

Before the trio, plaintiffs almost always brought an interlocutory injunction motion. But the three cases said the moving party's evidence of irreparable harm had to be "clear and not speculative". The plaintiff seeking an injunction needs more than boilerplate language in a supporting affidavit about loss of control over the mark and a loss of distinctiveness.

The sky is always falling at these conferences; no one ever says maybe the Federal Court of Appeal was right to limit interlocutory injunctions. But I think they probably were.

Extraordinary remedies, such as injunctions before trial, should be granted only in exceptional cases. If the validity of the mark and the confusion issues are disputed, a trial is the best way to determine who's right and who isn't. (Admittedly, my views change depending on whether at that moment I'm on for a plaintiff or a defendant.)

The prevalence of interlocutory injunctions in the 1980s may have been a reflection of the problems with the Federal Court Rules at the time.

There were lots of ways for defendants to spin the matter out indefinitely. It was routine, for example, for defendants to bring motions for particulars, before serving a defence. It often took the better part of a year to get pleadings closed. Documentary production was slow and awkward, and there was no summary judgment rule.

Since then, we've had a number of overhauls of the rules, including a complete rewrite in 1998, designed to speed up litigation. As well, recent case law seems to indicate (a)

plaintiffs can get an interlocutory injunction - if they have the right evidence, and (b) trade-mark litigation can be hurried up in other ways.

Interlocutory injunction fans are excited by *Imax Corporation v. Showmax Inc.*, (T-592-99, January 18, 2000), a decision of Mr. Justice Teitelbaum of the Federal Court Trial Division. Imax got an interlocutory injunction stopping use of SHOWMAX. It filed an expert opinion that there would be irreparable harm because of loss of control of the trade-mark and loss of distinctiveness if the injunction was not granted.

That is, Imax's irreparable harm evidence was much like the evidence Federal Court of Appeal had rejected as "speculative" in the trio of cases, but with one key difference: Imax's evidence came from an expert on branding and marketing, rather from an officer of the plaintiff.

We'll never know what the Federal Court of Appeal would have made of Imax, which is not going to appeal.

Two other cases deal with the summary judgment rule. The Federal Court got a summary judgment rule for the first time in 1994, but seems to have been reluctant to embrace the rule in trade-mark cases. This might be changing.

In two recent cases, defendants got summary judgment, but the reasoning would seem to apply whether it's the plaintiff or defendant seeking judgment. In both *Von Langsdorff Licensing Limited v. S.F. Concrete, Inc.* (1999) 1 C.P.R. (4th) 88, and *Canadian Memorial Services v. Personal Alternative Funeral Services Limited et al.*, (T-2658-97, January 28, 2000), trade-mark claims were dismissed on the grounds there was no likelihood of confusion.

In *Von Langsdorff*, Mr. Justice John Evans, writing before his elevation to the Federal Court of Appeal, reviewed the summary judgment cases, including the well-known Ontario case, *Pizza Pizza v. Gillespie*, and vigorously supported liberal use of the summary judgment rule: "It seems to me that the dominant trend in the jurisprudence of the Court has been to interpret liberally the rules governing summary judgment, so that a motions judge must subject the evidence to a "hard look" in order to determine whether there are factual issues that really do require [a full trial]."

Evans' judgment was quoted extensively by Mr. Justice Denis Pelletier of the Federal Court, Trial Division in *Canadian Memorial*, a case in which funeral parlours (perhaps improbably) battled over a trade-mark. Mr. Justice Pelletier, a recent appointment to the Court, granted summary judgment, despite some apparent factual disputes on the evidence. Neither case is going up to appeal.