

IN THE SUPREME MOOT COURT FOR INTELLECTUAL PROPERTY APPEALS

Between:

Healthward Canada

(Appellant)

and

Vaxco Ltd.

(Respondent)

FACTUM FOR APPELLANT

(The 2020-2021 Harold G. Fox Moot)

PART I: OVERVIEW OF THE POSITION OF THE APPELLANT

[1] This is an appeal from the Court of Appeal Intellectual Property Division's judgment in what originated at trial as two consolidated applications and an appeal. The appeal was brought by the Respondent to the Registrar of Trademarks' decision to refuse the registration of the Respondent's FLUSTOPPA & design trademark ("the FLUSTOPPA mark"). The first application was brought by the Respondent challenging the validity of the Appellant's official FLUSTOPPER mark ("the FLUSTOPPER mark"). The second application was brought by the Appellant seeking an injunction against the Respondents use of the FLUSTOPPA mark. The Court of Appeal decided in favour of the Respondent on all grounds, reversing the decision of the Trial Court. It ruled the FLUSTOPPER mark invalid, the FLUSTOPPA mark registrable, and refused to grant an injunction preventing use of the FLUSTOPPA mark.

[2] The FLUSTOPPER mark is valid since, contrary to the Court of Appeal's determination, the Appellant is a public authority since it is both under sufficient governmental control and confers a public benefit by providing life-saving vaccinations to at-risk communities.

[3] Given the Appellant's valid official mark, the Respondent's application to register its mark should be refused since the marks are sufficiently similar. The FLUSTOPPA mark, visually and phonetically, so nearly resembles the FLUSTOPPER mark that it is likely to be mistaken for it by a person with an imperfect recollection of the opposing mark.

[4] The Respondent may not rely on prior use to continue using the FLUSTOPPA mark in Canada. The Respondent did not use the FLUSTOPPA mark in connection with goods or services prior to notice of the Appellant's official mark. Alternatively, if the Respondent did use the FLUSTOPPA mark it has since impermissibly expanded the use of the trademark.

[5] Any such use of the mark by the Respondent in Canada should be barred by permanent injunction. The court should not refuse to issue the injunction on policy grounds.

PART II: STATEMENT OF FACTS

1. Background Information

[6] The Appellant, Healthward is the owner of the FLUSTOPPER mark. Healthward is a registered charity and non-profit organization whose services include educational programs on the importance of vaccination and free vaccination clinics for at-risk communities. Healthward entered a funding agreement with Health Canada in 2015, where they receive 75% of their funding in exchange for Health Canada exerting a certain level of control over Healthward's activities. Either party can terminate the agreement. Healthward has licensed its official FLUSTOPPER mark to Healthward Industries Corp ("Industries"), which provides Healthward with the essential life-saving vaccines and supplies they use in their free mobile vaccine clinics. Public notice of adoption and use of the FLUSTOPPER mark was issued in January 2019 ("the Public Notice").

[7] The Respondent, Vaxco seeks to register the FLUSTOPPA mark in Canada. Vaxco is a for-profit US corporation who manufactures, distributes, and sells vaccines and medical supplies. Vaxco also distributes educational materials and provides medical advice. Vaxco maintains a website where it provides information about the importance of vaccines and advertises its products. The FLUSTOPPA mark is displayed on the website, but Canadians cannot purchase and receive products from the website in Canada. Canadians did access the website to research products and book appointments to receive vaccinations in the United States. Vaxco also engages in print and billboard advertising in Canada along the US border. In February 2019, after receiving approval from Health Canada Vaxco began selling vaccines in Canada. Subsequently,

Vaxco applied for a Canadian trademark. The Registrar refused the application pursuant to subsection 12(1)(e) of the *Trademarks Act* given Healthward's official FLUSTOPPER mark.

[8] Healthward sought a declaration that Vaxco's use of the FLUSTOPPA mark infringes their own official mark and an injunction preventing Vaxco from using the FLUSTOPPA mark in Canada.

2. Trial Court Decision

[9] Coff J held in favour of Healthward determining that the FLUSTOPPER mark was valid and the FLUSTOPPA mark could not be registered since it was too similar to the FLUSTOPPER mark. Coff J found that Healthward is a public authority and as such is authorized to benefit from the protection provided by an official mark and concluded that the FLUSTOPPA mark so nearly resembles the FLUSTOPPER mark as to be mistaken for it.

Trademarks Act, RSC, 1985, c T-13 [*Trademarks Act*].

[10] Coff J also found that an injunction preventing Vaxco's use of the FLUSTOPPA mark should be granted. Vaxco argues it has previously used the FLUSTOPPA mark in Canada and can continue using it in Canada based on this prior use. Coff J found that Vaxco could not use the FLUSTOPPA mark in Canada, since it never sold vaccines in Canada prior to the Public Notice and the display of its mark on its website did not constitute use in Canada.

3. Court of Appeal Decision

[11] Ailes JA, writing for a unanimous court, held in favour of Vaxco, finding that the FLUSTOPPER mark was not a valid official mark and that the injunction should not be granted. Ailes JA found that the FLUSTOPPA mark does not so closely resemble the FLUSTOPPER mark such that one would be mistaken for the other due to the FLUSTOPPA mark's design element. Ailes JA determined that Coff J erred in describing Healthward as a public authority,

and as such is not entitled to the protection of an official mark. Ailes JA did not conclude on whether Healthward conferred a public benefit but expressed concerns about Healthward's relationship with Industries.

[12] Ailes JA found that there is a logical catch-22 that prevents the court from enjoining Vaxco's use of the FLUSTOPPA mark. Ailes JA found that if Vaxco used the mark prior to the Public Notice then they could rely on that prior use to continue using the mark. If Vaxco did not use the mark prior to the notice, there was no use to now restrict.

[13] Ailes JA also stated that if Healthward had succeeded on the merits of the appeal, the Court would exercise its discretion to refuse to issue an injunction since Healthward's relationship with Industries raised policy concerns.

PART III: POINTS IN ISSUE

[14] The Appellant submits that there are four primary issues in this appeal:

- A. Whether the FLUSTOPPER mark is a valid official mark;
- B. Whether the Registrar erred in refusing to register the FLUSTOPPA mark;
- C. Whether Vaxco's prior use of the FLUSTOPPA mark allows Vaxco to continue using the FLUSTOPPA mark without infringing Healthward's FLUSTOPPER mark; and
- D. Whether the Court should refuse to issue an injunction enjoining Vaxco's use of the FLUSTOPPA mark.

PART IV: ARGUMENTS IN BRIEF

A. The Court of Appeal erred in determining that Healthward's FLUSTOPPER mark is not an official mark

[15] The correct application of the public authority test leads to the conclusion that Healthward is a public authority.

[16] For Healthward to benefit from the official marks regime, the FLUSTOPPER mark must be adopted and used as an official mark in relation to goods and services in Canada (*Trademarks Act*), and Healthward must be classified as a public authority in Canada (*Canada Post*). Evidence of adoption and use of the FLUSTOPPER mark is not at issue. An entity can be classified as a public authority if 1) the entity in question is under a significant degree of government control and 2) the functions and activities of the entity are for a public benefit (*Ontario Association of Architects*).

Trademarks Act, supra para 9, s 9(1)(n)(iii).

Canada Post Corporation v United States Postal Service 2005 FC 1630 at para 45 [*Canada Post*].

Ontario Association of Architects v Association of Architectural Technologists of Ontario, 2002 CAF 218, 2002 FCA 218 at para 51 [*Ontario Association of Architects*].

1. Healthward is under sufficient governmental control for it to be classified as a public authority

[17] Healthward is under sufficient governmental control from Health Canada, a branch of the government, to be classified as a public authority. This is due to the combination of Health Canada's ability to appoint members to the Board of Directors, Health Canada's provision of 75% of Healthward's funding, and Health Canada's control over Healthward's operations.

[18] Sufficient governmental control means that the government must be able to have ongoing influence in both the "governance and decision-making" of the body (*Ontario Association of Architects*). This includes governmental control to review activities, request the body to "undertake necessary activities", and appoint members onto the body's committees (*Ontario Association of Architects*). This analysis is contextual and as such this list is not exhaustive (*Council of Natural Medicine*). Absolute government control is not required (*Canada Athletes*).

Ontario Association of Architects, supra para 16 at paras 59-60, 62.

Council of Natural Medicine College of Canada v College of Traditional Chinese Medicine Practitioners and Acupuncturists of British Columbia, 2013 FC 287 at para 38 [Council of Natural Medicine].

See You In-Canadian Athletes Fund Corp v Canadian Olympic Committee, 2007 FC 406 at para 60 [Canada Athletes].

[19] Healthward is a registered charity, but charitable status alone is insufficient to meet the governmental control prong of the public authority test (*Big Sisters*). However, there are factors present alongside Healthward's charity status that contribute to Health Canada's control of Healthward.

Big Sisters Association of Ontario and Big Sisters of Canada v Big Brothers of Canada, [1997] FCJ No 627, 131 FTR 161 [*Big Sisters*].

[20] First, unilateral government appointment of Directors can contribute to a finding of sufficient governmental control. Health Canada can appoint 2/5 seats on the Board of Directors. This is 40% control over the governance of Healthward. In a similar case, the Anne of Green Gables Licensing Authority (AGGLA) was under sufficient control of the Prince Edward Island ("PEI") government to be classified as a public authority (*Anne of Green Gables*). The PEI government assigned 3/8 Directors, with 2 additional Directors nominated by the government in conjunction with the AGGLA (*Anne of Green Gables*). In total, this is a slightly higher proportion than in the case at bar. However, proportionally the number of Directors (3/8 or 37.5%) the PEI government could unilaterally assign is essentially the same as that of Health Canada's control of 40% of Healthward's Board of Directors.

Anne of Green Gables Licensing Authority Inc. v. Avonlea Traditions Inc., [2000] OJ No 740, 4 CPR (4th) 289 [*Anne of Green Gables*].

[21] Second, Health Canada controls much of Healthward's actions through its provision of 75% of Healthward's funding. This substantial portion of funding from the federal government is a factor that contributes to a finding of sufficient governmental control (*Canadian Olympic*).

Canada (Registrar of Trade Marks) v Canadian Olympic Association, [1983] 1 FC 692, 43 NR 52 at para 30 [*Canadian Olympic*].

[22] Third, Health Canada is consulted on the topics of educational programs and can identify communities to which Healthward must provide mobile clinic services. This amounts to a review of the activities of Healthward which contributes to a finding of governmental control (*Ontario Association of Architects*). Health Canada can take away funding if Healthward does not comply, showing influence over the decision-making on where Healthward carries on their activities. Although Healthward is allowed to unilaterally end the agreement at any point, it seems they must comply with Health Canada's direction, or risk losing their funding without any clear way of obtaining more. This could lead to the end of Healthward's existence.

Ontario Association of Architects, supra para 16 at para 60.

[23] Although there is no evidence of there being legislative control of Healthward, the combination of the appointment of Directors, the high proportion of funding, and direction of Healthward's activities in combination establish that Health Canada has sufficient control over Healthward to satisfy the governmental control prong of the public authority test.

2. Healthward's activities and functions benefit the public

[24] Healthward's mandate to provide lifesaving vaccines to at-risk communities and educate the public about the effectiveness of vaccines benefits the public by saving lives. The public

benefit prong of the public authority test is a relatively low threshold to meet; Healthward’s “objects, duties, and powers, including the distribution of its assets” must be considered (*Ontario Association of Architects*).

Ontario Association of Architects, supra para 16 at para 52.

[25] Healthward’s main function to provide free and accessible public health services such as education and vaccination for at-risk communities surely constitutes a benefit to the public. It has been found that a professional body that regulates traditional Chinese medicine and promotes public confidence in the provision of these services acts in the public benefit (*Council of Natural Medicine*). Healthward acts in a similar fashion to promote public confidence in vaccinations. Vaccines save countless lives every day and educating the public on the importance of vaccines is essential to ensuring that people continue to take them. Vaccinating at-risk communities for free is even more important to prevent the deaths of countless individuals who would otherwise not be able to access this life-saving resource.

Council of Natural Medicine, supra para 18.

[26] Although Industries does seek to make a profit as a business, the fact that Healthward will benefit from the arrangement with Industries does not negate the fact that Healthward can also benefit the public. For example, although some of the activities of the Association of Architectural Technologists of Ontario benefited its members, this did not mean that it could not also help the public (*Ontario Association of Architects*). That is similar to the case here. Healthward is still conferring numerous benefits to the public, regardless of their relationship with Industries. Health Canada’s funding does not meet all of their financial needs, so earning royalties from licensing is another way for them to raise capital to continue operating in order to

save lives. Healthward also depends on Industries to provide them with the vaccines they use in their free clinics, which benefits the public, not Healthward.

Ontario Association of Architects, supra para 16 at para 69.

B. Vaxco is not entitled to registration for the FLUSTOPPA mark on the basis that the FLUSTOPPA mark is so nearly resembling as to be mistaken for Healthward’s FLUSTOPPER mark

[27] The FLUSTOPPER and FLUSTOPPA marks so nearly resemble each other as to be likely to be mistaken for one another. As such, Vaxco’s FLUSTOPPA mark is not registrable under section (12)(1)(e) of the *Trademarks Act* on the basis that the FLUSTOPPER mark is an official mark under section 9(1)(n)(iii) of the *Trademarks Act*. This section states that a person cannot “adopt, in connection with a business, as a trademark or otherwise, any mark consisting of, or so nearly resembling as to be likely to be mistaken for, any ... mark adopted and used by any public authority in Canada as an official mark for goods or services” (*Trademarks Act*).

Trademarks Act, supra para 9, ss 9, 12.

[28] First, Vaxco is a for profit corporation (i.e. in connection with a business), and wants to register the FLUSTOPPA mark as a trademark in Canada. The first half of the test from section 9(1)(n)(iii) of the *Trademarks Act* is met.

[29] The prong of the test to be considered here is that the FLUSTOPPA and FLUSTOPPER marks “so nearly resemble as to be likely to be mistaken for” each other (*Trademarks Act*). It is important to note that this is a different standard than the confusion test and factors laid out in sections 6(2) and 6(5) of the *Trademarks Act*, which Coff J erred by applying here. Confusion applies to registered trademarks and not to official marks (*Canadian Council of Professional Engineers*). The standard of “so nearly resembling as to be likely to be mistaken for” is restricted to a comparison of the two marks to each other rather than looking at the context surrounding

them. However, this is not a direct, straightforward comparison of the marks. The test is one of “resemblance and imperfect recollection”, where a test person of “of imperfect recollection familiar with the opponent’s mark and having an imperfect recollection thereof” and consideration of section 6(5)(e) factors¹ are used (*Techniquip*).

Trademarks Act, supra para 9, ss 6, 9.

Canadian Council of Professional Engineers v APA — The Engineered Wood Assn [2000] FCJ No 1027, 7 CPR (4th) 239 (FCTD) at para 71 [*Canadian Council of Professional Engineers*].

Techniquip Ltd v Canadian Olympic Assn, [1999] FCJ No 1787, 3 CPR (4th) 298 [*Techniquip*].

[30] Previous cases have required that the marks be nearly identical to meet the section 9 test. The FLUSTOPPA and FLUSTOPPER marks are nearly identical to one another despite the FLUSTOPPA mark’s design component. SPIRIT OF THE GAME was found to be so nearly resembling as to be likely to be mistaken for SPIRIT OF THE GAMES (*Brownridge*). THE OLYMPIC SNOW ROSE was found to also be so nearly resembling as to be likely to be mistaken for OLYMPIC (*McIntyre & Associates*) and OLYMPIQUES MONTREAL with OLYMPIQUE (*Gerry Snyder*). Although none of these had design marks associated with them, the overlap between the two marks is always significant. The FLUSTOPPA and FLUSTOPPER marks have more letters in common and are more similar in pronunciation than the second and third examples. It is the design element that distinguishes this case.

¹ This includes the degree of resemblance between the marks in appearance and sound, or in the ideas suggested by them only, and not other factors such as the nature of the goods or services.

Vancouver Organizing Committee for the 2010 Olympic & Paralympic Winter Games v Brownridge, 2009, TMOB No 103 [*Brownridge*].

Canadian Olympic Assn v Jack G. McIntyre & Associates Inc, 1988 21 CPR (3d) 58 [*McIntyre & Associates*].

Canadian Olympic Assn v Gerry Snyder Enterprises Inc, 1985, 5 CPR (3d) 136 [*Gerry Snyder*].

[31] The presence of a design element as part of the FLUSTOPPA mark and not the FLUSTOPPER mark need not be fatal to a finding of resemblance. A word mark, KERMODE BEAR, was not found to be so nearly resembling as to be likely to be mistaken for their opponent's marks KERMODE WARRIOR and KERMODE WARRIOR & Design (*City of Terrace*). However, the focus of the lack of resemblance was on the different connotations and "visual and phonetic differences" of the words "bear" and "warrior", rather than the addition of a design (*City of Terrace*). Although the FLUSTOPPA mark has a design element, the word itself is much more similar to the FLUSTOPPER mark because of the identical meanings. Replacing "-er" in the place of "-a" is commonly done in slang and does not alter the meaning of the underlying word. This makes the FLUSTOPPA and FLUSTOPPER marks overall more similar than the above examples.

City of Terrace v CanadianPacific Phytoplankton Ltd, 2013 TMOB 156 [*City of Terrace*].

[32] Other cases confirm the point that a design element present in one mark and not another can still lead to a finding of similarity. CANASPORT & Design was not found to resemble SPORT CANADA (*Kruger*). The words are much more dissimilar than FLUSTOPPER and FLUSTOPPA and have a completely different pronunciation. Furthermore, the case is older and

examined section 6(5) factors in its analysis, which is no longer the practice (*Kruger*). A third example is SUPERMAILBOX & Design with ADMAIL, ELECTRONIC MAIL, and others (*Canada Post Corp*). These words are extremely different. In these cases, the words in the marks are so different the test person would not mistake one mark for another, regardless of the presence of a design element.

The Queen v Kruger, 1978 44 CPR (2d) 135 [*Kruger*].

Canada Post Corp v 736217 Ontario Ltd, 1993 51 CPR (3d) 112 [*Canada Post Corp*].

[33] The FLUSTOPPER and FLUSTOPPA marks resemble each other in appearance, sound, and in the ideas suggested by them. The first word or syllable is the most important for the purpose of distinction (*Sum-Spec*). Each mark consists of one word. While the words are not identical, 2/3 syllables are identical. The third syllable of the marks in question are not the same visually but can be pronounced the same. Thus, the marks sound nearly identical. Furthermore, the meaning suggested by the marks is identical: that an individual, upon receiving the vaccine, will be prevented from catching the flu. The appearances of the marks are not identical, as the FLUSTOPPA mark has incorporates a design element with it. However, the test person described above may not be able to remember that only one had a design element and may still associate them as the same, due to the extreme similarity of the words of the marks.

Sum-Spec Canada Ltd v Imasco Retail Inc, [1990] FCJ No 241, 20 ACWS (3d) 413 at para 13 [*Sum-Spec*].

C. Healthward's valid FLUSTOPPER official mark restricts Vaxco's use of the FLUSTOPPA mark

[34] The Court of Appeal erred in concluding there was a "catch 22" preventing the Court from restricting the Vaxco's use of the FLUSTOPPA mark in Canada (*Vaxco CA*). Under section 9(1)(n)(iii) of the *Trademarks Act*, adoption of a mark that is similar to an official mark is

prohibited, however, since the provision is silent on use, courts have interpreted it to allow continued use of a mark used prior to the public notice of adoption and use of the relevant official mark (*Cable Control Systems*). According to the Court of Appeal, this meant either Vaxco used the FLUSTOPPA mark prior to the Public Notice and is thus entitled to continue its use, or it did not use the mark and thus there is nothing to now enjoin.

Trademarks Act, supra para 9, s 9(1)(n)(iii).

Cable Control Systems Inc v Electrical Safety Authority, [2012] FCJ No 1391 at para 6 [*Cable Control Systems*].

Vaxco v Healthward, 20 CAIP 333 at para 12 [*Vaxco CA*].

[35] Respectfully, this logic is unsound since Vaxco has expanded its activities with the FLUSTOPPA mark in Canada since the Public Notice. Vaxco began selling vaccines in Canada bearing the mark in February 2019 and has applied for trademark registration, seeking to use the mark in other new areas. It is this expansion in activity the Appellant seeks to restrict.

1. Vaxco did not use the FLUSTOPPA mark prior to January 2019 so it cannot now begin using it

[36] The principal reason Vaxco may not rely on prior use to continue using the FLUSTOPPA mark is because there was no prior use. Under section 4 of the *Trademarks Act*, a mark may be deemed to be used in connection with either goods or services. Use in relation to goods is governed by sections 4(1) and 4(3). Under section 4(1), a mark is used in relation to goods if, “in the normal course of trade, it is marked on the goods themselves or on the packages in which they are distributed, or it is in any other manner so associated with the goods that notice of the association is then given” to the entity to which the goods are transferred. Under section 4(3), a mark is used in relation to goods if the trademark “is marked in Canada on goods or on the packages in which they are contained” when the goods are exported from Canada. Use in relation

to services is governed by section 4(2) requiring the mark be “used or displayed in the performance or advertising” of the relevant service.

Trademarks Act, supra para 9, s 4.

i. Vaxco did not use the FLUSTOPPA mark in association with goods prior to January 2019

[37] Vaxco would clearly not be able to make out use in association with goods through s 4(1).

The *Trademarks Act* requires that use under section 4(1) be in the normal course of trade and occur in Canada. The record indicates that Vaxco did not sell vaccines in Canada prior to the Public Notice and thus cannot rely on section 4(1).

Trademarks Act, supra para 9, s 4(1).

[38] Nor did Vaxco use the mark as required by sections 4(3). Section 4(3) allows for use in association with goods to be established in Canada through export, despite the goods in question never being sold in Canada. To make out use under section 4(3), Vaxco must establish three elements: a) the trademark was marked in Canada; b) on the goods or on the packages in which they were contained; c) when the goods are exported from Canada (*National Sea*).

Trademarks Act, supra para 9, s 4(3).

National Sea Products Ltd v Scott & Ayleen (FCTD), [1988] FCJ No 301 [*National Sea*].

[39] Although Vaxco did ship products from the United States through Canada on their way to European market it cannot rely on section 4(3) to establish use. The first element of the test from *National Sea* is not satisfied. There is no evidence that a trademark was affixed in Canada on the goods or the packaging in which they were contained. If trademarked, it seems that the FLUSTOPPA mark was affixed in the United States.

Trademarks Act, supra para 9, s 4(3).

National Sea, supra para 38.

ii. Vaxco did not use the FLUSTOPPA mark in association with services prior to January 2019 and therefore it may not now use it

[40] Neither Vaxco's advertising with the FLUSTOPPA & design mark nor the use of the mark on its website constitute use within the meaning of section 4(2) of the *Trademarks Act*.
Trademarks Act, supra para 9, s 4(2).

[41] Mere advertising of a service is not enough to make out use under section 4(2). The trademark owner must be offering, and prepared to perform, the services in Canada (*Porter*). In *Porter*, advertising in Canada for restaurant services offered in the United States was held not to constitute use.

Porter v Don the Beachcomber, [1966] ExCR 982 [*Porter*].

[42] More recently, an American company advertising the availability of ground transportation services to and from airports in cities outside of Canada was held not to constitute use since the service was not offered in Canada (*Supershuttle*). Similarly, Vaxco's print and billboard advertising along the Canada-United States border does not constitute use since the vaccination services were ultimately provided in the United States.

Supershuttle International Inc v Fetherstonhaugh & Co, [2015] FCJ No 1544

[*Supershuttle*].

[43] Vaxco's use of the mark on their website also does not constitute use under section 4(2) of the *Trademarks Act*. Use of a service may be established by offering incidental or ancillary services online only if consumers in Canada receive a material benefit (*Hilton CA*). This is inquiry is, in essence, a question of fact.

Trademarks Act, supra para 9, s 4(2).

Miller Thomson LLP v Hilton Worldwide Holding LLP, [2020] FCJ No 902 at para 116, 119 [*Hilton CA*].

[44] In *TSA*, Simpson J found the services offered on the website of the Appellant, a US-based sporting goods retailer, to constitute use of retail store services. In *TSA*, the Appellant ran an online retail store from which goods could be purchased, although not for delivery in Canada. Along with online store, the Appellant offered several highly detailed services from which Canadians benefitted. It offered a “Buyers Guide” with detailed information and assistance relating to sizing, care information, tips on identifying suitable equipment etc. relating to virtually all items available. The website also offered a “Help me choose my Gear” Service so that customers could determine how to identify suitable age- and expertise-appropriate gear and a “Shoe Finder” service to identify the running shoe which best suited a customer’s needs.

TSA Stores, Inc v Canada (Registrar of Trade-Marks), [2011] FCJ No 319 at paras 13, 19-20 [*TSA*].

[45] *TSA* is distinguishable from the case at bar for a number of reasons. First, the registration in *TSA* was for retail store services and the Appellant was, in fact, operating an online retail store. Here, the mark is allegedly used in connection with vaccination services and there is no evidence that actual purchases could be made from the website in any jurisdiction. Simpson J was clear that the various services offered, in *TSA*, were highly detailed and the “Help me choose my Gear” service, in particular, was “akin to visiting a bricks and mortar store and benefiting from a discussion with a knowledgeable salesperson” (*TSA*). There is no indication that Vaxco offered tailored services like the Appellant in *TSA*. Vaxco’s website merely offered general information on the importance of vaccination and about their products.

TSA, *supra* para 44.

[46] A case that closely parallels this case is *Dr’s Own*. In *Dr’s Own*, a company had registered the mark in connection with shoe cushions and inserts. The company operated a

website with general information about the company's products. In finding that the website did not meet the requirements for use under section 4(2), the Trademarks Opposition Board distinguished the case from *TSA* on the grounds that the services offered were not as intricate as those offered in *TSA* and because the company was not also operating an online retail store in conjunction with the information offered (*Dr's Own*).

Dr's Own Inc (Re), [2018] TMOB No 5147 at paras 42-48 [*Dr's Own*].

TSA, *supra* para 44.

[47] The ability for consumers to book appointments through Vaxco's website also does not constitute use since there is no material benefit to Canadians in Canada.

[48] In *Hilton CA*, the Court largely upheld the decision in *Hilton TD* that the respondent hotel company had used the mark, WALDORF ASTORIA, in association with hotel services. In *Hilton TD* the court found that a large number of Canadians derived a meaningful benefit from the services since, on top of simply making reservations, Canadians received the material benefit of discounted rates for booking rooms in advance (*Hilton TD*).

Hilton Worldwide Holding LLP v Miller Thomson, [2018] FCJ No 903 at paras 92-97 and 101 [*Hilton TD*].

Hilton CA, *supra* para 43.

[49] *Live!* was a similar case where an American company sought to establish to protect its trademark, LIVE, in connection with hotel services. The Court found that the ability to make reservations from Canada did not constitute use within the meaning of section 4(2). The Court in *Live!* distinguished *Hilton TD* noting that, unlike in *Hilton TD*, there were no discounts or other benefits to the Canadian consumer in Canada.

Live! Holdings, LLC v Oyen Wiggs Green & Mutala LLP, [2019] FCJ No 959 at paras 93-99 [*Live!*].

Hilton TD, *supra* para 48.

[50] *Live!* comports with the facts of this case much more closely than *Hilton TD*. In this case there is no benefit accruing to Canadians in Canada from booking the appointments. The convenience of having the appointment reserved is not a meaningful benefit (*Live!*). The material benefit is only accrued to the consumer when they receive the vaccination in the United States.

Live!, *supra* para 49 at para 92.

2. Should it be found that Vaxco used the FLUSTOPPA mark, the mark's continuing use should be nonetheless restricted to those specific areas in which prior use is established.

[51] Vaxco may only rely on prior use for a mark with wares and services that it was using the mark in association with at the time the Public Notice was issued (*Cable Control Systems*).

Should it be found that Vaxco used the mark in any of the above areas, its continuing use must be restricted to those areas. For example, if use is found in relation to services but not goods, Vaxco may not extend its use to goods and begin selling vaccines in Canada.

Cable Control Systems, *supra* para 34.

D. Policy considerations should not prevent the Court from issuing an injunction that prohibits the continuing use of Vaxco's FLUSTOPPA mark.

[52] The Court of Appeal erred when it stated that it would not issue an injunction enjoining Vaxco from using the FLUSTOPPA mark even if it found the FLUSTOPPER mark valid (*Vaxco CA*). The Court retains the discretion to decline to issue an injunction since it is an equitable remedy. However, to do so in this case on policy concerns arising from Healthward's relationship with Industries would be inappropriate for several reasons.

Vaxco CA, *supra* para 34.

[53] First, it would be contrary to precedent. Courts have shown no reluctance in issuing injunctions in official mark cases, even where the policy implications were contestable. A similar argument to the one adopted by the Court of Appeal in this case was rejected in *Big Sisters*. In *Big Sisters* the Big Brothers of Canada (“the BBC”), contended that should it fail on the merits of the case an injunction prohibiting the use of its official mark should not be awarded due to the positive work the BBC did throughout Canada. Alternatively, the BBC contended that if an injunction were to be awarded it should not restrain the use of its mark, specifically in its logo. The defendant succeeded on the merits, but Gibson J rejected these arguments, stating “if I had concluded in favour of the Plaintiffs, I would have been prepared to grant the declarations sought and a permanent injunction in the terms sought” (*Big Sisters*).

Big Sisters, supra para 19.

[54] While the facts in *Big Sisters* do not precisely parallel the case at bar, there is similarity and the same result should follow. In *Big Sisters* the BBC urged to refrain from issuing an injunction based on the good the mark infringer was doing whereas in the case at bar the Court of Appeal refused an injunction based on potential exploitation from the mark owner.

Big Sisters, supra para 19.

[55] The second reason why policy considerations should not be a reason to refuse the grant of the injunction in the case at bar is because courts should assume legislation enacted by Parliament furthers the public interest. To refuse to assume so would be an impermissible judicial inquiry into the appropriateness of legislation.

[56] In *RJR-MacDonald*, a tobacco company sought an interlocutory injunction refraining the enforcement of tobacco legislation. After applying the appropriate test, the court refused to issue the injunction in part because it had to assume the legislation furthered the public interest. If the

relevant public authority is charged with the duty of promoting or protecting the public interest and that there is indication that the impugned legislation was undertaken pursuant to that duty, courts should assume that the legislation furthers the public interest.

RJR-MacDonald Inc v Canada (Attorney General), [1994] 1 SCR 311 at para 76 [*RJR-MacDonald*].

[57] While *RJR-MacDonald* concerned an interlocutory injunction and not a permanent injunction, the separation of powers principles from the case apply with equal force to this case. The Court should assume the official marks regime furthers the public interest and thus protecting a valid official mark furthers that interest.

RJR-MacDonald, *supra* para 56.

[58] Finally, it would be unreasonable to conclude that Healthward acts in the public benefit in the merits stage and then to refuse the injunction based on policy considerations that they may act to the public detriment in the remedial stage. Consideration of the merits of this case requires a determination that Healthward acts for the public benefit. To show that the FLUSTOPPER mark is valid, Healthward must show that it is a public authority. To do this, Healthward must show that it confers a public benefit (*Ontario Association of Architects*). This inquiry already delves into Healthward's relationship with Industries and whether the public benefit Healthward confers is compromised because of the relationship.

Ontario Association of Architects, *supra* para 16.

PART V: ORDER REQUESTED

[59] The Appellant respectfully requests that this appeal be granted.

ALL OF WHICH IS RESPECTFULLY SUBMITTED.

[60] Dated this twelfth day of January, 2021.

PART VI: TABLE OF AUTHORITIES

JURISPRUDENCE	PARAGRAPH(S)
<i>Anne of Green Gables Licensing Authority Inc. v. Avonlea Traditions Inc.</i> , [2000] OJ No 740, 4 CPR (4th) 289 [<i>Anne of Green Gables</i>].	20
<i>Big Sisters Association of Ontario and Big Sisters of Canada v Big Brothers of Canada</i> , [1997] FCJ No 627, 131 FTR 161 [<i>Big Sisters</i>].	19, 53, 54
<i>Cable Control Systems Inc v Electrical Safety Authority</i> , [2012] FCJ No 1391 [<i>Cable Control Systems</i>].	34, 51
<i>Canada Post Corp v 736217 Ontario Ltd</i> , 1993 51 CPR (3d) 112 [<i>Canada Post Corp</i>].	32
<i>Canada Post Corporation v United States Postal Service</i> 2005 FC 1630 [<i>Canada Post</i>].	16
<i>Canada (Registrar of Trade Marks) v Canadian Olympic Association</i> , [1983] 1 FC 692, 43 NR 52 [<i>Canadian Olympic</i>].	21
<i>Canadian Council of Professional Engineers v APA — The Engineered Wood Assn</i> [2000] FCJ No 1027, 7 CPR (4th) 239 (FCTD) [<i>Canadian Council of Professional Engineers</i>].	29
<i>Canadian Olympic Assn. v Gerry Snyder Enterprises Inc</i> , 1985, 5 CPR (3d) 136 [<i>Gerry Snyder Enterprises</i>].	30
<i>Canadian Olympic Assn v Jack G. McIntyre & Associates Inc</i> , 1988 21 CPR (3d) 58 [<i>McIntyre & Associates Inc</i>].	30
<i>City of Terrace v Canadian Pacific Phytoplankton Ltd</i> , 2013 TMOB 156 [<i>City of Terrace</i>].	31
<i>Council of Natural Medicine College of Canada v College of Traditional Chinese Medicine Practitioners and Acupuncturists of British Columbia</i> , 2013 FC 287 [<i>Council of Natural Medicine</i>].	18, 25
<i>Dr's Own Inc (Re)</i> , [2018] TMOB No 5147 [<i>Dr's Own</i>].	46
<i>Hilton Worldwide Holding LLP v Miller Thomson</i> , [2018] FCJ No 903 [<i>Hilton TD</i>].	48, 49
<i>Live! Holdings, LLC v Oyen Wiggs Green & Mutala LLP</i> , [2019] FCJ No 959 [<i>Live!</i>].	49, 50
<i>Miller Thomson LLP v Hilton Worldwide Holding LLP</i> , [2020] FCJ No 902 [<i>Hilton CA</i>].	43, 48
<i>National Sea Products Ltd v Scott & Aylene (FCTD)</i> , [1988] FCJ No 301 [<i>National Sea</i>].	38, 39
<i>Ontario Association of Architects v Association of Architectural Technologists of Ontario</i> , 2002 CAF 218, 2002 FCA 218 [<i>Ontario Association of Architects</i>].	16, 18, 22, 24, 26, 58
<i>Porter v Don the Beachcomber</i> , [1966] ExCR 982 [<i>Porter</i>].	41
<i>The Queen v Kruger</i> , 1978 44 CPR (2d) 135 [<i>Kruger</i>].	32
<i>RJR-MacDonald Inc v Canada (Attorney General)</i> , [1994] 1 SCR 311 at para 76 [<i>RJR-MacDonald</i>].	56, 57
<i>See You In-Canadian Athletes Fund Corp v Canadian Olympic Committee</i> , 2007 FC 406 [<i>Canada Athletes</i>].	18

<i>Sum-Spec Canada Ltd v Imasco Retail Inc</i> , [1990] FCJ No 241, 20 ACWS (3d) 413 [<i>Sum-Spec</i>].	33
<i>Supershuttle International Inc v Fetherstonhaugh & Co</i> , [2015] FCJ No 1544 [<i>Supershuttle</i>].	42
<i>Techniquip Ltd v Canadian Olympic Assn</i> , [1999] FCJ No 1787, 3 CPR (4th) 298 [<i>Techniquip</i>].	29
<i>TSA Stores, Inc v Canada (Registrar of Trade-Marks)</i> , [2011] FCJ No 319 [<i>TSA</i>].	44, 45, 46
<i>Vancouver Organizing Committee for the 2010 Olympic & Paralympic Winter Games v Brownridge</i> , 2009, TMOB No 103 [<i>Brownridge</i>].	30
<i>Vaxco v Healthward</i> , 20 CAIP 333 [<i>Vaxco CA</i>].	34, 52
LEGISLATION	
<i>Trademarks Act</i> , RSC 1985, c T-13.	9, 16, 27, 29, 34, 36, 37, 38, 39, 43

PART VII: APPENDICES

None.