

COVID-19: SEEKING COURT RELIEF REGARDING THE DISEASE OF TRADEMARK INFRINGEMENT

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Many measures have been taken by the Canadian government to confront the challenges posed by COVID-19. The courts, as venues that are typically open to the public, face unique challenges. This article describes the impact of measures taken by the Canadian courts on Canadian trademark holders who may wish to contest infringement during the pandemic.

Methods of Commencing a New Proceeding Regarding Infringement

A proceeding related to trademark infringement in Canada may be brought in either the Federal Court of Canada or a superior court of a province. The Federal Court of Canada and some provincial courts are generally closed to visitors. Fortunately, as described below, these venues permit the online filing of new proceedings.

The Federal Court announced on March 13 that court facilities were closed to visitors.^[1] In the days that followed, The Federal Court confirmed that parties should use the Federal Court's E-filing portal to file documents or use email for urgent documents,^[2] and that the obligation to file paper copies will be foregone until April 17, 2020. We expect that this end date is fluid under the circumstances.

The Ontario Superior Court of Justice announced that it was suspending all regular operations, effective Tuesday, March 17, 2020 until further notice.^[3] Fortunately, earlier this year Ontario commenced providing access to a Civil Claims Online Portal for the issuance of a new claim.

Once a claim is issued, it will have to be served. It may be more difficult to effect personal service than usual, but at least some agents remain available to serve materials. In Ontario, the government has declared professional and social services that support the legal and justice system are essential services that are at least permitted to remain open.

Showing Urgency Will be Vital

The bigger issue concerns the ability of a trademark rights holder to advance a court proceeding once it is commenced.

The Federal Court has suspended all timelines and fixed dates set under both the *Federal Courts Rules* and Orders and Directions of the Court. This means that even if a party has had success in delivering a new proceeding about infringement to the infringer, they will not, by default, be obligated to deliver a defence or response until at least April 17, 2020.

The Federal Court's suspension period is subject to the following two exceptions: (i) urgent matters, and (ii) matters that need to proceed as previously scheduled for exceptional reasons.^[4] The court will determine what constitutes "urgent" and "exceptional" on a case-by-case basis.^[5] The guidance provided by the court about what matters are urgent invokes removal orders under Canadian immigration law or the "seizure of a ship" in admiralty law. There remains the ability to involve the court if the scope of infringement is such that a rights holder can demonstrate that hardship or substantial financial consequences are likely to result from delay.^[6] Such matters will be heard by telephone conference.^[7]

Similarly, Ontario made a regulation suspending, for the duration of the emergency, all periods of time within which a step must be taken in a proceeding. This regulation was made merely days after the Ontario Superior Court of Justice stated that parties must still comply with orders/rules requiring the service or delivery of documents as between parties. Although the regulation is "subject to the discretion of the court", it is more likely than not that timelines in litigation are suspended.^[8]

As in the Federal Court, the Ontario Superior Court of Justice will continue to hear urgent matters during the emergency period.^[9] Urgent matters include urgent and time-sensitive motions and applications in civil and commercial list matters, where immediate and significant financial repercussions may result if there is no judicial hearing.^[10]

Conclusion

It is likely that COVID-19 will lead to a backlog in the courts concerning, among other things, matters related to public health and safety. Issues concerning matters where incarceration or liberty are involved are likely to take priority. Provincially, civil matters related to insolvency and restructuring are anticipated to be a primary focus. Any trademark holder who wants to be heard will be battling against these kinds of urgent matters for court time.

In our view, only in the clearest of cases, and where financial damages are likely to be very substantial or cause hardship to the rights holder, will the courts agree to move trademark infringement matters forward. If a party wishes to make the case to establish that they fit the "urgency" requirement federally and in Ontario, they should be prepared to provide tangible evidence for the court's consideration about the impact of the infringement.

If a trademark holder does not feel that they will meet the test of urgency outlined by the courts described above, we recommend that they take effective measures to document and diarize an infringer's conduct. Parties should consider going further in their fact gathering than they may otherwise due to the general market chaos caused by COVID-19. At least by cogently documenting conduct, parties will be better positioned to prove their claim when access to the courts resumes.

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[1] [Message from the Federal Court in Response to COVID-19 Pandemic](#), dated March 13, 2020.

[2] [Practice Direction and Order \(COVID-19\)](#);

Update: [Practice Direction and Order \(COVID-19\) with FAQ](#).

[3] [Notice to the Profession, the Public and the Media Regarding Civil and Family Proceedings](#).

[4] [Practice Direction and Order \(COVID-19\)](#).

[5] [Practice Direction and Order \(COVID-19\)](#).

[6] [Practice Direction and Order \(COVID-19\)](#).

[7] [Practice Direction and Order \(COVID-19\)](#).

[8] For more in-depth analysis of this issue, see: Guneev Bhinder and W. Brad Hanna, "[COVID-19: Ontario Suspends Limitation Periods and Procedural Deadlines](#)".

[9] [Notice to the Profession, the Public and the Media Regarding Civil and Family Proceedings](#).

[10] [Notice to the Profession, the Public and the Media Regarding Civil and Family Proceedings](#).

A Cautionary Note

The foregoing provides only an overview and does not constitute legal advice. Readers are cautioned against making any decisions based on this material alone. Rather, specific legal advice should be obtained.

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