Unofficial English Translation of the Judgment of the Court

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Cabanons Fontaine inc. c. 9036-4316 Québec inc. (Cabanons Mirabel) | | | | 2022 QCCA 1243 | |
| COURT OF APPEAL | | | | | |
|  | | | | | |
| CANADA | | | | | |
| PROVINCE OF QUEBEC | | | | | |
| REGISTRY OF MONTREAL | | |  | | | |
| No.: | 500-09-029038-205 | | | | |
| (505-17-009972-177) | | | | | |
|  | | | | | |
| DATE: | September 19, 2022 | | | | |
|  | | | | | |
|  | | | | | |
| CORAM: | | THE HONOURABLE MARK SCHRAGER, J.A.  STEPHEN W. HAMILTON, J.A.  GUY COURNOYER, J.A. | | |
|  | | | | | |
|  | | | | | |
| CABANONS FONTAINE INC. | | | | | |
| GARAGES ET CABANONS FONTAINE MIRABEL INC. | | | | | |
| APPELANTS – defendants | | | | | |
|  | | | | | |
| and | | | | | |
| LE GROUPE C.D.G.I. INC. | | | | | |
| APPELANT – impleaded party | | | | | |
| v. | | | | | |
|  | | | | | |
| 9036-4316 QUÉBEC INC., doing business under the trade name CABANONS MIRABEL | | | | | |
| RESPONDENT – plaintiff | | | | | |
|  | | | | | |
|  | | | | | |
| JUDGMENT | | | | | |
|  | | | | | |
|  | | | | | |

1. The appellants appeal from a judgment of the Superior Court, District of Longueuil (the Honourable Florence Lucas), rendered on April 30, 2020, granting the respondent’s application for a permanent injunction and ordering the appellants to stop using the domain names cabanonmirabel.com, cabanonsmirabel.ca and garagescabanonsmirabel.com and to transfer them at no cost to the respondent.[[1]](#footnote-1)
2. For the reasons of Hamilton J.A., with which Schrager and Cournoyer, JJ.A. concur, **THE COURT**:
3. **DISMISSES** the appeal, with legal costs.

|  |  |  |
| --- | --- | --- |
|  | | |
|  | |  |
|  | | MARK SCHRAGER, J.A. |
|  | |  |
|  | |  |
|  | | STEPHEN W. HAMILTON, J.A. |
|  | |  |
|  | |  |
|  | | GUY COURNOYER, J.A. |
|  | | |
| Mtre Bob H. Sotiriadis | | |
| Mtre Catherine Bergeron | | |
| ROBIC | | |
| For the appellants | | |
|  | | |
| Mtre Marc-André Nadon | | |
| Mtre Jean-François Carrier | | |
| PRÉVOST FORTIN D’AOUST | | |
| For the respondent | | |
|  | | |
| Date of hearing: | October 28, 2021 | |

|  |
| --- |
|  |
|  |
| REASONS OF HAMILTON, J.A. |
|  |
|  |

1. This case deals with the application of the standards for passing-off under the *Trademarks Act*[[2]](#footnote-2) (“*TA*”) and article 1457 of the *Civil Code of Québec* (“C*.*C.Q*.*”) in the context of electronic commerce on the Internet.

**BACKGROUND**

1. The facts are not disputed.
2. The respondent has been in the business of distributing sheds and garages since 1986 and of manufacturing sheds since 2015. Its business began in the Mirabel area and now mainly extends to the Laurentides and Lanaudière areas. The respondent has always done business under the name “Cabanons Mirabel”. Over the years, that name has appeared, among other places, on the respondent’s trucks, on its logos, and on a small metal plate affixed to the sheds it manufactures; it has also appeared in the respondent’s numerous promotional and advertising activities. It acquired the domain name cabanonsmirabel.com in May 2001, created its website, and later developed web marketing strategies. The respondent invested large sums of money in promoting its company, its products, and its services.
3. The appellant Cabanons Fontaine inc. has been in the business of manufacturing and distributing sheds and garages since 1976. Its territory extends from Rimouski to Cornwall, passing through Shawinigan. It owns the registered trademark CABANONS FONTAINE INC. & DESSIN and owns several domain names redirected to its main website, cabanons.com.
4. In 2000, Cabanons Fontaine set up business in the Mirabel area by partnering with the appellant Cabanons et Garages Fontaine Mirabel inc. (then Meuble de Jardins Mirabel inc.), before acquiring it in 2006 and changing its name. Garages Fontaine Mirabel acts as distributor of Cabanons Fontaine products in the Mirabel area.
5. On February 14, 2017, through its information systems consultant Groupe CDGI, the impleaded party, Cabanons Fontaine registered several domain names, including cabanonmirabel.com, cabanonsmirabel.ca, and garagescabanonsmirabel.com, which it uses to redirect consumers to its main website.
6. On August 10, 2017, the respondent filed a passing-off action. At the provisional stage, the parties entered an agreement, which was ratified on August 16, 2017, and subsequently renewed until final judgment, whereby Cabanons Fontaine agreed to deactivate the websites cabanonmirabel.com and cabanonsmirabel.ca and not to use, reserve, or acquire any domain name that includes “cabanon(s) mirabel”. By mutual agreement, the action was split, and the parties proceeded before Lucas J. on the issues of fault, liability, confusion, and the right to a permanent injunction. The quantification of damages will be the subject of a second trial, if necessary.

**JUDGMENT UNDER APPEAL**

1. The judge noted that a passing-off action is based on both section 7(b) of the *T.A.* and the general principles of civil liability under article 1457 C.C.Q. She applied the requirements for this action as set out in the leading case *Ciba-Geigy Canada Ltd. v. Apotex Inc.*,[[3]](#footnote-3) namely: (1) the existence of goodwill; (2) deception of the public; and (3) actual or potential damage.
2. Regarding the first requirement, the judge recognized that the respondent does not own a registered trademark and that its trade name CABANONS MIRABEL is made up of descriptive terms related to the respondent’s activities and area of operation, and that, in principle, such a mark cannot be registered under the *T.A*. However, she explained that a combination of descriptive terms may acquire a secondary meaning through use that allows it to be protected. Considering the continuous use of the trademark CABANONS MIRABEL for more than 30 years and the large sums of money invested in promotional and advertising activities, the judge ruled that it had acquired a secondary meaning for consumers that is associated with the respondent’s products. She concluded that there is goodwill associated with the distinctive character of the trade name and the mark CABANONS MIRABEL, acquired through use.[[4]](#footnote-4)
3. Second, the judge concluded that the appellants’ use of domain names that incorporate the mark CABANONS MIRABEL to redirect consumers to Cabanons Fontaine’s website is confusing and misleading to consumers. In her view, Internet users have developed the habit of entering the trademarks of companies they know directly into their web browser, which creates a clear risk of confusion. Indeed, Internet users, believing they are accessing the respondent’s website cabanonsmirabel.com, are automatically directed to the appellants’ website simply by typing “.ca” or forgetting the “s”. Thus, the strong resemblance between the domain names in dispute and the CABANONS MIRABEL mark led the judge to conclude that there is a likelihood of confusion.[[5]](#footnote-5)
4. Third, the judge ruled that, even if the evidence does not reveal any actual confusion, there is a very real risk of damage due to the erroneous belief engendered by the misleading redirections.[[6]](#footnote-6)
5. The judge concluded that the alleged acts constituted unfair competition and that the appellants had no legitimate and reasonable reason to have the domain names in dispute. Consequently, she granted the requested injunctions.[[7]](#footnote-7)
6. The appellants appeal from the judgment.

**GROUNDS OF APPEAL**

1. The appellants acknowledge that the judge applied the correct legal test, but they argue that the judge made palpable and overriding errors in her assessment of each of the three requirements and in her application of the facts to these requirements. According to them, none of the three requirements is satisfied. They further argue that the judge erred in assessing the scope of the passing-off action.
2. The respondent raises an additional argument, namely that the appellants also committed a fault under the civil liability regime of article 1457 C.C.Q. by committing parasitic acts by engaging in typosquatting and/or cybersquatting.

**ANALYSIS**

1. **Leave to appeal**
2. Before dealing with the merits of the appeal, the appellants’ right to appeal the judgment must be considered.
3. This is a split proceeding: the judgment under appeal deals with the issues of fault, liability, confusion, and the right to a permanent injunction, while the quantification of damages will be the subject of a second judgment, if necessary.
4. It is clear that the judgment under appeal does not terminate the proceeding, even though it determines part of the dispute. Accordingly, the right to appeal this judgment is governed by article 31 CCP, which provides for an appeal with leave when the judgment in the course of the proceeding determines part of the dispute.
5. The appellants filed a notice of appeal on August 25, 2020, without seeking leave to appeal from an appellate judge. The respondent did not raise this irregularity, but the Coram raised it *ex officio* by letter before the hearing, which caused the appellants to file an application for leave to appeal *de bene esse*. The respondent consents to the application and it should be granted. It is clear that this is a simple error that no one has noted and that does not cause any harm. As the six-month period during which the Court may authorize an appeal after the time limit has expired, leave should be granted on a *nunc pro tunc* basis.[[8]](#footnote-8)
6. **Passing-off action**
7. The passing-off action is based primarily on section 7(b) of the *T.A.*, which codifies the tort of passing-off developed under the common law:[[9]](#footnote-9)

|  |  |
| --- | --- |
| **7** No person shall  **(b)** direct public attention to his goods, services or business in such a way as to cause or be likely to cause confusion in Canada, at the time he commenced so to direct attention to them, between his goods, services or business and the goods, services or business of another; | **7**Nul ne peut :  **b)**appeler l’attention du public sur ses produits, ses services ou son entreprise de manière à causer ou à vraisemblablement causer de la confusion au Canada, lorsqu’il a commencé à y appeler ainsi l’attention, entre ses produits, ses services ou son entreprise et ceux d’un autre; |

1. This action is consistent with the general principles of civil liability of Quebec law.[[10]](#footnote-10)
2. In the leading case of *Apotex*, the Supreme Court quoted the following statement from the English case *Reckitt & Colman Products Ltd. v. Borden Inc.*[[11]](#footnote-11) which sets out the requirements in order to succeed in a passing-off action:[[12]](#footnote-12)

The law of passing off can be summarised in one short general proposition, no man may pass off his goods as those of another.  More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed.  These are three in number.  First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying “get-up” (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff’s goods or services.  Second, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff ... Third, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant’s misrepresentation that the source of the defendant’s goods or services is the same as the source of those offered by the plaintiff.

[Emphasis added.]

1. In short, the passing-off action is based on three components: (1) existence of goodwill, (2) deception of the public due to a misrepresentation, and (3) actual or potential damage.[[13]](#footnote-13)
   1. **Existence of goodwill**
2. The judge concluded that there was goodwill associated with the distinctive character of the trade name and the mark CABANONS MIRABEL, acquired through use.
3. First, she noted that the respondent does not own a registered trademark and that its trade name Cabanons Mirabel is made up of descriptive terms that do not have the distinctive character required for a passing-off action. She continued her analysis to determine whether the trade name had acquired a secondary meaning through use which would allow it to be protected. She analyzed the evidence of the continuous use of the name Cabanons Mirabel by the respondent for 30 years, the respondent’s promotional and advertising activities under the name Cabanons Mirabel, the importance of its website cabanonsmirabel.com, the respondents’ logos that highlight the name Cabanons Mirabel, as well as testimony from consumers and the appellants’ representative who associate the name Cabanons Mirabel with the respondent. She concluded that, although the words cabanons and Mirabel are descriptive, the combination Cabanons Mirabel has acquired goodwill.
4. This analysis is consistent with the principles established by the Supreme Court in *Apotex* and *Kirkbi* and by this Court in *Canada Bread*[[14]](#footnote-14) and *Montréal Auto Prix*.[[15]](#footnote-15) The appellants did not demonstrate a palpable and overriding error of fact in this conclusion.
5. The appellants submit that the judge limited her analysis to determining the existence of goodwill, without, however, assessing whether this goodwill is related to the distinctive character of the CABANONS MIRABEL mark. They cite the second component of the *Canada Bread* test, [translation] “whether the plaintiff has established that the public recognizes its product on the basis of the copied element”..[[16]](#footnote-16) According to the appellants, this component imposes on the respondent the burden of proving [translation] “that the public is able to recognize a product because of the distinctive character attached to its trademark”. They argue that if this component had been analyzed by the trial judge, it would not have been satisfied.
6. This argument must be rejected.
7. It is clear that the judge in no way neglected this component of the test. On the contrary, she concluded that there was goodwill [translation] “attached to the distinctive character of the trade name and the mark CABANONS MIRABEL”.[[17]](#footnote-17) She noted that [translation] “consumers testified that they know and look for CABANONS MIRABEL products and services, a mark that has become distinctive in their eyes”.[[18]](#footnote-18) Similarly, she noted that the respondent [translation] “has carried out major promotional campaigns on the radio, in newspapers, and on billboards on Highway 15 to publicize its CABANONS MIRABEL mark and advertise its products to consumers in the area”.[[19]](#footnote-19) In light of these findings, the judge’s conclusion that goodwill is related to the distinctive character of the respondent’s mark is reasonable. This is a question of fact and the appellants did not demonstrate any palpable and overriding error.
8. I would add that the scope of this component is limited. Once the court finds the existence of goodwill, assessing the attachment comes down to [translation] “determining” the part of the goodwill that results from the distinctive character of a mark.[[20]](#footnote-20) In practice, once the plaintiff proves the existence of goodwill, care must be taken to ensure that the goodwill is not related to another distinctive element of the plaintiff’s products, for example, their physical appearance. The more difficult it is to recognize a company’s products through other distinctive elements, the more the goodwill of that a company is likely to be explained by its trademark. In this case, it is established that the respondent’s products and the appellants’ products are similar. Accordingly, the conclusion that the goodwill is connected to the trademark is reasonable.
9. This component must also be adapted to take into account the fact that the searches take place on the Internet. The notion of “recognizing” the product must be interpreted differently when it comes to Internet searches rather than products on a store’s shelves. In my opinion, for this component, it is enough to prove that the public uses the copied element to search for the product on the Internet, namely the name Cabanons Mirabel. I will return to this.
   1. **Deception of the public due to a misrepresentation**
10. This second requirement has two components, which Benoît Moore J., as he then was, explained in *9248-9533 Québec inc*. *c*. *Industries Désormeau inc*.:

[translation]

[68] The second requirement is to demonstrate a misrepresentation causing confusion in the public and endangering the goodwill and reputation of the mark. This condition is a hybrid condition in that it pertains, on the one hand, to the fault of the person who committed it (the misrepresentation) and, on the other hand, to the victim’s injury (the confusion).[[21]](#footnote-21)

[Emphasis added]

1. The first component, misrepresentation, is often inferred by the courts[[22]](#footnote-22) since they consider it obvious that the use of another’s mark constitutes a deceptive and unfair practice.[[23]](#footnote-23)
2. Regarding the second component, confusion, Rochette J.A. defined the applicable parameters in *Canada Bread*:

[translation]

[58] Second, the relevant requirement is that of the “risk of confusion” or, as Rousseau-Houle J.A. explained, of a misrepresentation leading or [translation] “likely to lead the public to believe” that the copied products are those of the merchant with the established trademark. It should also be kept in mind that the exercise considers a consumer in a hurry with a vague memory of the trademark. The judge must therefore ask “if ordinary casual consumers somewhat in a hurry are likely to be deceived about the origin of the wares or services”.[[24]](#footnote-24)

1. This is a factual determination that calls for a certain degree of deference, subject to a manifest and overriding error.[[25]](#footnote-25)
2. The judge considered that the risk of confusion between the domain names cabanonmirabel.com and cabanonsmirabel.ca is obvious: the consumer who wishes to visit the respondent’s cabanonsmirabel.com website, but who types “.ca” or forgets the “s” is automatically and erroneously directed to the Cabanons Fontaine website. She further concluded that the use of the domain name garagescabanonsmirabel.com [translation] "is likely to mislead the public into believing that there is a commercial association or relationship between the parties, which the legislation on trademarks and unfair competition seeks to curtail”.[[26]](#footnote-26)
3. The appellants challenge these conclusions on several grounds.
4. First, they argue that the judge did not explicitly analyze the first component, namely the notion of misrepresentation. They are correct.
5. However, the evidence in the record is sufficient to demonstrate that the first component is satisfied. The appellants registered domain names that were practically identical to the CABANONS MIRABEL mark despite the fact that they had been aware for at least 15 years of the existence of Cabanons Mirabel[[27]](#footnote-27) and of the respondent’s website.[[28]](#footnote-28) They omitted the word “Fontaine”, which distinguishes their products.
6. The appellants submit that they did not intend to mislead consumers. They allege that they acquired the three domain names in dispute, as well as other domain names that are not disputed, in a legitimate manner as a web marketing strategy in order to obtain the greatest amount of natural referencing on search engines and optimize their rank in search results, following a search engine optimization strategy.
7. However, the intention of the appellants is irrelevant. A misrepresentation may be deliberate or may arise from negligence or recklessness.[[29]](#footnote-29) On this subject, Estey J., on behalf of the Supreme Court, explained in *Seiko*:

If anything further need be said to distinguish the commercial activity of the appellant from that condemned by the rule in passing off, attention should be drawn to the fact that the passing off rule is founded upon the tort of deceit, and while the original requirement of an intent to deceive died out in the mid-1800’s, there remains the requirement, at the very least, that confusion in the minds of the public be a likely consequence by reason of the sale, or proffering for sale, by the defendant of a product not that of the plaintiffs making, under the guise or implication that it was the plaintiff’s product or the equivalent.[[30]](#footnote-30)

[Emphasis added.]

1. Registering domain names virtually identical to the CABANONS MIRABEL mark, which the appellants were aware of, while omitting the name “Fontaine”, and without making any verification as to the risk of confusion or illegality, is at the very least negligent or reckless and public confusion was a likely consequence. This is enough for a finding of deceit.
2. The appellants submit that their search engine optimization strategy aims to improve their rank in the list of search results on a search engine and does not create confusion in the mind of the public. They add that the use of domain names is invisible and consumers will therefore make no connection between the appellants and these domain names. They suggest that what they are doing resembles using keywords for referencing purposes (like Google Ads), which the courts have recognized as lawful.[[31]](#footnote-31)
3. Indeed, if a consumer enters the words “Cabanons Mirabel” in the search bar of a web browser such as Google Chrome, the search engine uses the words entered as keywords to find the most relevant websites and generates a list of results in order of relevance according to its own algorithm. The consumer chooses the site he or she wants to access from the list of results. In this case, the evidence demonstrates that the respondent’s website comes up first and the Cabanons Fontaine website third in a search for “Cabanons Mirabel” on the Google search engine.[[32]](#footnote-32) There is no mention of the domain names in dispute in connection with the Cabanons Fontaine website.
4. In this scenario, the fact that the appellants registered the domain names in dispute could only have improved Cabanons Fontaine’s rank on this list. This poses no problem with respect to passing-off.[[33]](#footnote-33)
5. However, the judge considered that [translation] “Internet users have developed the habit of searching for the website of a company they know by entering the trademark of this company into the web browser”.[[34]](#footnote-34) Indeed, there is a second way for consumers to reach a company’s website: they can enter the domain name (if known), the trade name, or the trademark of the company sought in the browser address bar,[[35]](#footnote-35) preceded by “www.” and followed by the generic “.ca” or “.com”. If the consumer enters the correct address, he or she is directed to the chosen website.
6. In this context, the judge raises two sources of confusion.
7. First, if a consumer tries to enter the domain name cabanonsmirabel.com in the browser’s address bar to go directly to the respondent’s website, but types “.ca” or forgets the “s”, he or she is first redirected to the garagescabanonsmirabel.com website and then to Cabanons Fontaine’s main website. If, while looking for one of the respondent’s garages,[[36]](#footnote-36) the consumer enters the name garagescabanonsmirabel.com in the address bar, he or she is redirected to Cabanons Fontaine’s main website. In all these cases, consumers wishing to access the respondent’s website automatically and unwittingly end up on the Cabanons Fontaine website. In addition, once on the Cabanons Fontaine website, consumers who entered the name cabanonmirabel.com or cabanonsmirabel.ca can see the name garagescabanonsmirabel.com in the address bar,[[37]](#footnote-37) which suggests a link between Garages Cabanons Mirabel and Cabanons Fontaine. The judge therefore found that there is a risk of confusion.[[38]](#footnote-38)
8. The appellants challenge the judge’s premise that consumers enter the trademark directly into the address bar and are thereby redirected to the Cabanons Fontaine website, arguing that there is no evidence to this effect. They maintain that expert evidence was required to support the judge’s premise on the habits of Internet users. In my view, the judge could arrive at this conclusion based on common sense, human experience, and the evidence presented.[[39]](#footnote-39)
9. The appellants add that, even if consumers are redirected in this way, they are not misled because Cabanons Fontaine’s website is clearly indicated as such without any mention of the respondent. This argument must fail. First, the evidence demonstrates that the name cabanonmirabel.com, cabanonsmirabel.ca or garagescabanonsmirabel.com is visible during the redirect.[[40]](#footnote-40) In addition, there remains the possibility that, among the consumers redirected to this website, some will stay there, given the immediate availability of similar products, and that sales will thus be lost for the respondent.[[41]](#footnote-41) Finally, it seems possible to me that the average consumer, in a hurry and having a vague memory of the trademark that prompted this initial search, will not notice that he or she has been redirected to the wrong company’s website.
10. The result is that the appellants capture a portion of the respondent’s goodwill. The lack of evidence of the number of people who were thus redirected or of sales actually lost for the respondent is not relevant at the stage of fault and injunction. This will be a factor when calculating damages.
    1. **Damage**
11. The third element of the passing-off action does not require proof of actual and quantifiable damage:

[translation]

[42] In *Ciba-Geigy*, *supra*, the Supreme Court refers to “actual or potential damage to the plaintiff”, a quote which is repeated in *Kirkbi AG*, [2005] 3 S.C.R. 302. In *Kisber & Co.*, *supra*, the majority, per Rousseau-Houle J.A., writes that the plaintiff, for the purposes of its passing-off action, must establish that he or she [translation] “suffers or is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation” .

[…]

[44] Indeed, the evidence shows, on a balance of probabilities, that the risk of prejudice caused by the confusion is very real. While the respondent had not yet suffered any quantifiable monetary prejudice when it instituted its motion for injunction (its business is in fact flourishing), it is clear that this would no longer be the case if the appellants were allowed to usurp its name or continue to benefit from the confusion generated by the identity of the name under which all three of them market their services.[[42]](#footnote-42)

[References omitted; emphasis added]

1. The courts are not very demanding when it comes to proof of damage: it may namely be inferred from the unauthorized use or the loss of control of goodwill.[[43]](#footnote-43) Some evidence is required, however, as there is no presumption of damage.[[44]](#footnote-44)
2. In this case, the respondent has not proven actual and quantifiable prejudice. However, the judge concluded that there was potential damage:

[translation]

[81] In this case, the parties operate the same type of business and the domain names allow Cabanons Fontaine to divert Internet traffic in its favour, at the expense of its direct competitor Cabanons Mirabel. Given that the two companies offer sheds of equivalent dimensions and quality, available in the same area for the same potential customers, Internet users who erroneously use the disputed domain names and are redirected to the Cabanons Fontaine website are likely to make a bid (on the Internet or otherwise) and ultimately to buy the products of a competitor that he or she might never have otherwise thought of visiting.

[References omitted; emphasis added.]

1. The potential damage seems obvious to me.
2. First, the respondent produced statistics showing the growing volume of visits to its website and of bids provided through the website or through consumers who visited the website.
3. Second, it appears that the vast majority of respondent’s clientele consults its website before coming to the store, thus increasing the risk of misappropriation of goodwill.[[45]](#footnote-45)
4. In these circumstances, the inference that the respondent risks losing sales is a logical and reasonable inference. The appellants did not demonstrate any palpable and overriding error that would justify our intervention.
   1. **Scope of the passing-off action**
5. The appellants submit that an unregistered trademark only gives rise to rights in the area where it has acquired goodwill through sufficient commercial activity.[[46]](#footnote-46) They therefore suggest that the injunction should be limited to the areas of Laurentides and Lanaudière. However, they do not indicate how to limit the injunction and the transfer of the domain names to a limited territory in the context of passing-off on the Internet. In any event, the appellants’ representative admitted that the sole purpose of acquiring the domain names in dispute was to target potential buyers in the Mirabel area. It must be deduced that the domain names are intrinsically linked to this area and have no use outside this region.
6. **Parasitism**
7. As I propose to dismiss the appeal, it is not necessary to consider the possibility that the respondent also had an action based on parasitism.

|  |  |
| --- | --- |
|  | |
|  |  |
| STEPHEN W. HAMILTON, J.A. |

1. *Cabanons Mirabel* c. *Cabanons Fontaine inc*., 2020 QCCS 1419 [judgment under appeal]. [↑](#footnote-ref-1)
2. *Trademarks Act*, R.S.C. 1985, c. T-13. [↑](#footnote-ref-2)
3. *Ciba-Geigy Canada Ltd. v. Apotex Inc.*, [1992] 3 S.C.R. 120 [*Apotex*]. [↑](#footnote-ref-3)
4. Judgment under appeal at paras. 22−43. [↑](#footnote-ref-4)
5. *Ibid.* at paras. 44−76. [↑](#footnote-ref-5)
6. *Ibid.* at paras. 77−82. [↑](#footnote-ref-6)
7. *Ibid.* at paras. 84−89. [↑](#footnote-ref-7)
8. *Construction Steco inc*. *c.* *Gestion Michel Bélanger inc*., 2013 QCCA 217 at para. 20. [↑](#footnote-ref-8)
9. *Kirkbi AG v.* *Ritvik Holdings Inc*., 2005 SCC 65 at para. 23 [*Kirkbi*]. [↑](#footnote-ref-9)
10. *Apotex, supra* note 3 at para. 37. [↑](#footnote-ref-10)
11. [1990] 1 All E.R. 873 at 880. [↑](#footnote-ref-11)
12. *Apotex*, *supra* note 3 at para. 32. [↑](#footnote-ref-12)
13. *Ibid.* at para. 33. [↑](#footnote-ref-13)
14. *Boulangerie Canada Bread ltée c. Boulangerie St-Méthode inc*., 2013 QCCA 1503 at paras. 23 *et seq*. [*Canada Bread*]. [↑](#footnote-ref-14)
15. *9055-6473 Québec inc. c.* *Montréal Auto Prix*, 2006 QCCA 627 at para. 16 [*Montréal Auto Prix*]. [↑](#footnote-ref-15)
16. *Canada Bread*, *supra* note 14 at para. 8, citing the trial judgment, 2012 QCCS 83 at para. 70. [↑](#footnote-ref-16)
17. Judgment under appeal at para. 43. [↑](#footnote-ref-17)
18. *Ibid.* at para. 38. [↑](#footnote-ref-18)
19. *Ibid.* at para. 32. [↑](#footnote-ref-19)
20. *7531877 Canada ltée (Buckingham Chrysler, Jeep, Dodge) c.* *9531025 Canada inc. (Buckingham Chevrolet Buick GMC)*, 2018 QCCS 2123 at paras. 71, 75. [↑](#footnote-ref-20)
21. *9248-9533 Québec inc*. *c.* *Industries Désormeau inc*., 2017 QCCS 3837 at para. 68. [↑](#footnote-ref-21)
22. *Les Accessoires de bagages Hudson inc./Hudson Luggage Supplies Inc. c. Les Attaches Tri-Point inc*., 2003 CanLII 33320 at para. 38 (QC Sup. Ct.),); *National Ballet School/École nationale de ballet* *c.* *École nationale de ballet contemporain*, 2006 QCCS 459 at paras. 17-27 [*National Ballet School*]. [↑](#footnote-ref-22)
23. *Montréal Auto Prix*, *supra* note 15 at paras. 9 and 27. [↑](#footnote-ref-23)
24. *Canada Bread, supra* note 14 at para. 58. [↑](#footnote-ref-24)
25. *Masterpiece Inc. v. Alavida Lifestyles Inc.*, 2011 SCC 27, [2011] 2 S.C.R. 387 at para. 102 [*Masterpiece*]; *Canada Bread*, *supra* note 14 at para. 57. [↑](#footnote-ref-25)
26. Judgment under appeal at para. 69. [↑](#footnote-ref-26)
27. *Ibid.* at para. 39. [↑](#footnote-ref-27)
28. Cross-examination of André Coulombe, 17 February 2020, 271−271. [↑](#footnote-ref-28)
29. *Kirkbi*, *supra* note 9 at para 68. [↑](#footnote-ref-29)
30. *Consumers Distributing Co*. *v.* *Seiko Time Canada Ltd*., [1984] 1 S.C.R. 583 at para. 23. [↑](#footnote-ref-30)
31. *Chocolat Lamontagne inc. c. humeur Groupe-conseil inc.,* 2010 QCCS 3301. [↑](#footnote-ref-31)
32. Exhibit D-5. [↑](#footnote-ref-32)
33. *Vancouver Community College* *v. Vancouver Career College*, 2017 BCCA 41 at para. 44 [*Vancouver Community College*]. [↑](#footnote-ref-33)
34. Judgment under appeal at para. 68. [↑](#footnote-ref-34)
35. In Google Chrome, the address bar and the search bar are combined in the “omnibar”, but the principle is the same. [↑](#footnote-ref-35)
36. The word “garages” is not part of the respondent’s name, but garages represent 20% of its sales. [↑](#footnote-ref-36)
37. See Exhibit P-10. [↑](#footnote-ref-37)
38. See e.g., *Dentec Safety Specialists Inc. v. Degil Safety Products Inc.*, 2012 ONSC 4721, appeal dismissed, 2014 ONSC 2449. [↑](#footnote-ref-38)
39. Exhibit P-7 shows that some consumers who access the respondent’s website do so directly by entering the name of the website in the address bar. In addition, several consumers stated that they [translation] “performed a search on Google” and [translation] “ended up on Cabanons Fontaine’s website” (Exhibit P-18). See also Jean-Philippe Mikus & Sébastien Roy, *Choisir et protéger ses marques de commerce* (Cowansville: Éditions Yvon Blais, 2010) at 242. [↑](#footnote-ref-39)
40. Exhibit P-10. [↑](#footnote-ref-40)
41. *Masterpiece, supra* note 25 at paras. 71−73. [↑](#footnote-ref-41)
42. *Canada Bread*, *supra* note 14 at para. 61; *Montréal Auto Prix*, *supra* note 15 at paras. 42, 44. [↑](#footnote-ref-42)
43. *National Ballet School, supra* note 22 at para. 28; *Vancouver Community College, supra* note 33 at para. 75. [↑](#footnote-ref-43)
44. *Canada Bread*, *supra* note 14 at para. 60. See also *Nissan Canada Inc*. *v.* *BMW Canada Inc*., 2007 FCA 255 at para. 37. [↑](#footnote-ref-44)
45. Testimony of Josée Lachance, 17 February 2020, at 137. [↑](#footnote-ref-45)
46. *Apotex, supra* note 3 at para. 120. [↑](#footnote-ref-46)